

SENATE

MONDAY, MARCH 12, 1934

(Legislative day of Wednesday, Feb. 28, 1934)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On motion of Mr. ROBINSON of Arkansas, and by unanimous consent, the reading of the Journal for the calendar day Saturday, March 10, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON of Arkansas. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Cutting	King	Robinson, Ark.
Ashurst	Davis	La Follette	Robinson, Ind.
Austin	Dickinson	Lewis	Russell
Bailey	Dieterich	Logan	Schall
Bankhead	Dill	Loneragan	Sheppard
Barbour	Duffy	Long	Shipstead
Barkley	Erickson	McAdoo	Smith
Black	Fess	McCarran	Stelwer
Bone	Fletcher	McGill	Stephens
Borah	Frazier	McKellar	Thomas, Okla.
Bulkley	George	McNary	Thomas, Utah
Byrd	Gibson	Metcalf	Thompson
Byrnes	Glass	Neely	Townsend
Capper	Goldsborough	Norris	Trammell
Caraway	Gore	Nye	Tydings
Carey	Hale	O'Mahoney	Vandenberg
Clark	Harrison	Overton	Van Nuys
Connally	Hatch	Patterson	Wagner
Coolidge	Hayden	Pittman	Walcott
Copeland	Johnson	Pope	Walsh
Costigan	Kean	Reed	Wheeler
Couzens	Keyes	Reynolds	White

Mr. LEWIS. I beg to announce that the Senator from Tennessee [Mr. BACHMAN], the Senator from South Dakota [Mr. BULOW], and the Senator from New Hampshire [Mr. BROWN] are unavoidably detained from the Senate, and that the Senator from Iowa [Mr. MURPHY] is absent on account of a severe cold.

Mr. FESS. I desire to announce that the Senator from Delaware [Mr. HASTINGS], the Senator from West Virginia [Mr. HATFIELD], the Senator from Rhode Island [Mr. HEBERT], and the Senator from South Dakota [Mr. NORBECK] are necessarily absent.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of New York, which was referred to the Committee on Appropriations:

STATE OF NEW YORK,
IN SENATE,
Albany, March 6, 1934.

By Mr. Kernan

Whereas many citizens of the State of New York in the region of the Mohawk River and its various tributaries and in the area of the Hudson River Valley, north of the Federal lock at Troy, N.Y., are in grave danger of suffering from the increasing high water due to incessant rains and the seasonal spring thaws; and

Whereas a large number of our citizens in such regions are not receiving proper protection to their homes and property because of a lack of adequate flood control and river regulation; and

Whereas a part of the waterways aforesaid is included in the barge canal system through which pass many cargoes of interstate commerce; and

Whereas the adequate protection to these waterways and the citizens residing in the areas adjacent to them should be a matter of deep concern to the Federal Government as well as to the government of New York State: Now, therefore, be it

Resolved (if the assembly concur), That the Congress of the United States be, and it is hereby, respectfully memorialized to provide funds of the Federal Government to supplement the appropriations of the State of New York for the proper river regulation and flood control of the waterways as aforesaid and enact the necessary legislation in carrying into effect such work; and be it further

Resolved (if the assembly concur), That a copy of this resolution be transmitted to the Clerk of the House of Representatives, the Secretary of the United States Senate, and to each Member of Congress elected from the State of New York.

By order of the senate.

MARGUERITE O'CONNELL, Clerk.

IN ASSEMBLY,

March 7, 1934.

Concurred in without amendment. By order of the assembly.
FRED W. HAMMOND, Clerk.

The VICE PRESIDENT also laid before the Senate a letter in the nature of a petition from Mrs. Robert G. Donecker, of McCracken, Kans., praying for the passage of old-age pension legislation, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by the municipal council of Sarat, Province of Ilocos Norte, P.I., favoring the passage of the so-called "King Philippine independence bill", which was referred to the Committee on Territories and Insular Affairs.

He also laid before the Senate a resolution adopted by the municipal council of Nasugbu, Province of Batangas, P.I., favoring the passage of the so-called "King Philippine independence bill", which was referred to the Committee on Territories and Insular Affairs.

He also laid before the Senate a resolution adopted by the municipal council of Nasugbu, Province of Batangas, P.I., protesting against the passage of the so-called "Tydings Philippine independence bill", providing, among other things, an extension of time for the acceptance of Philippine independence, which was referred to the Committee on Territories and Insular Affairs.

He also laid before the Senate a telegram from W. Ingle Leitch, of Cleveland, Ohio, calling attention to certain aspects of article 8 of the proposed treaty between the United States and Canada on the Great Lakes-St. Lawrence deep waterway project, and favoring the taking of additional time to consider all phases of the matter, which was ordered to lie on the table.

PRODUCTION OF SUGAR BEETS

Mr. O'MAHONEY presented a telegram from H. H. Graham, president of the Huntley Project Development Association, which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

WORDEN, MONT., March 12, 1934.

Senator O'MAHONEY,
United States Senate.

DEAR SIR: We, the farmers of the Huntley Project Development Association, are opposed to any curtailment in production of sugar beets on our Huntley project and we are opposed to any quotas set for our beet industry in the United States. We are with you 100 percent in the amendments you are offering to the sugar question. We, the farmers on the Huntley project, came here in good faith, with the understanding that our major crop would be sugar beets, which has proved to be a fact. Without sugar beets raised on our farms here we would have to move out. We have spent approximately 25 years of our lives and all of our earnings on the Huntley project. We have built up our farms, our homes, and made improvements, improved the value of the land, paid taxes, and built our schools. Our business men have built their business houses around the beet industry with the idea that our future business would be sugar beets. Our children have been reared here, grown up, and have become permanent fixtures and adapted to the sugar-beet raising. There is no other industry that has offered so much for the benefit of our land and country in general, especially the laboring class. When we located on this western project we did so with the idea that the Government would be back of us in any curtailing that might show up in the production of sugar beets, especially surrendering our sugar-beet industry to some foreign nation. We, the farmers of the Huntley project, do urge that you do all within your power to keep such curtailment out of the sugar legislation.

H. H. GRAHAM, President.

REPORTS OF COMMITTEES

Mr. GLASS, from the Committee on Banking and Currency, to which was referred the bill (S. 2788) to amend section 5219 of the Revised Statutes, as amended (relating to State taxation of national banking associations), reported it without amendment.

Mr. BULKLEY, from the Committee on Banking and Currency, to which was referred the bill (S. 2999) to guarantee

the bonds of the Home Owners' Loan Corporation, to amend the Home Owners' Loan Act of 1933, and for other purposes, reported it without amendment and submitted a report (No. 466) thereon.

Mr. CONNALLY, from the Committee on Public Buildings and Grounds, to which was referred the bill (H.R. 5745) granting abandoned public buildings and grounds at Sitka, Alaska, to the Territory of Alaska, and for other purposes, reported it without amendment and submitted a report (No. 465) thereon.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters, which were ordered to be placed on the calendar.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GLASS:

A bill (S. 3025) to amend section 12B of the Federal Reserve Act so as to extend for 1 year the temporary plan for deposit insurance, and for other purposes; to the Committee on Banking and Currency.

By Mr. GEORGE:

A bill (S. 3026) for the relief of Lucy Cobb Stewart; to the Committee on Foreign Relations.

A bill (S. 3027) granting an increase of pension to James A. Walker; to the Committee on Pensions.

By Mr. STEIWER:

A bill (S. 3028) for the relief of Walter S. Chiene and Annie H. Chiene (widow, guardian of minors, and administratrix of estate of Lyon Playfair Chiene); to the Committee on Claims.

By Mr. DAVIS:

A bill (S. 3029) for the relief of Albert A. Taney; to the Committee on Military Affairs.

A bill (S. 3030) granting a pension to Samuel Johnson; and

A bill (S. 3031) granting a pension to Henrietta V. W. Owen; to the Committee on Pensions.

By Mr. McCARRAN (by request):

A bill (S. 3032) to require financial responsibility of owners and operators of vehicles for hire in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

A bill (S. 3033) to reserve certain public-domain lands in Nevada and Oregon as a grazing reserve for Indians of Fort McDermitt, Nev.; to the Committee on Public Lands and Surveys.

By Mr. NEELY:

A bill (S. 3034) granting a pension to Rebecca Swisher Boyd; to the Committee on Pensions.

By Mr. HATCH:

A bill (S. 3035) granting compensation to Reuben R. Hunter; to the Committee on Claims.

By Mr. McKELLAR:

A bill (S. 3036) for the relief of the George R. Jones Co., a corporation, organized under the laws of the State of New Hampshire; to the Committee on Claims.

A bill (S. 3037) granting a pension to Ben Harrison Martin; to the Committee on Pensions.

By Mr. JOHNSON:

A bill (S. 3038) to amend sections 116 and 22 of the Revenue Act of 1932; to the Committee on Finance.

(Mr. WHEELER introduced Senate bill 3039, which appears under a separate heading.)

By Mr. ASHURST (by request):

A bill (S. 3040) to give the Supreme Court of the United States authority to make and publish rules in actions at law; to the Committee on the Judiciary.

By Mr. COPELAND, Mr. VANDENBERG, and Mr. MURPHY:

A bill (S. 3041) to effectuate the purpose of certain statutes concerning rates of pay for labor, by making it unlaw-

ful to prevent anyone from receiving the compensation contracted for thereunder, and for other purposes; to the Committee on the Judiciary.

By Mr. BLACK:

A bill (S. 3042) for the relief of Warren F. Avery; to the Committee on Military Affairs.

A bill (S. 3043) to amend section 25 (b) of the Federal Reserve Act, as amended (relating to jurisdiction of Federal courts over suits involving Federal Reserve banks); to the Committee on Banking and Currency.

By Mr. FRAZIER:

A joint resolution (S.J.Res. 86) for the adjustment and settlement of losses sustained by the cooperative marketing associations; to the Committee on Agriculture and Forestry.

PURCHASE OF SILVER

Mr. WHEELER introduced a bill (S. 3039) for the relief of agriculture, the producers of livestock, and the producers of raw materials generally, and for other purposes, which was read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That in order to provide necessary relief for agriculture, the producers of livestock, and the producers of raw materials generally, it is herein declared to be necessary:

(a) To raise the general price level sufficiently to enable such producers to secure the cost of production plus a reasonable profit.

(b) In order to raise the general price level it is further declared to be necessary to increase the number of monetary units in circulation.

(c) In order to secure a sound and controlled increase in the number of monetary units in circulation it is herein declared to be necessary to make a wider use of silver as money and as the base for the issuance of money.

Sec. 2. The Secretary of the Treasury is hereby authorized and directed to purchase silver bullion at the rate of not less than 50,000,000 ounces per month, until there shall be added to the monetary resources of the United States 1,000,000,000 ounces of silver, except that whenever 371 $\frac{1}{4}$ grains of pure silver equals in purchasing power 23.22 grains of pure gold the purchase of silver under this section shall be suspended. Such silver shall be purchased at home or abroad, wherever silver shall be procurable at or under the value specified above, with any direct obligations, coin, or currency of the United States authorized by law, or with any funds in the Treasury not otherwise appropriated, at such rates and upon such terms and conditions as the Secretary of the Treasury may deem most advantageous to the public interest; and the silver so purchased shall be held in reserve in the Treasury against the issue of certificates of deposit payable to bearer on demand in silver bullion as hereinafter provided. Such silver certificates shall be issued by the Treasury in an amount which, in the aggregate, shall equal the cost of such silver to the Treasury. Upon presentation of any such silver certificates the Treasurer of the United States shall redeem the same by the delivery of the face value thereof in silver bullion of the gold equivalent value at the time of demand, to the end that the silver delivered shall be measured by value rather than by weight. The silver certificates issued under the provisions of this section shall be legal tender for all debts, public and private, public charges, taxes, duties, and dues.

Sec. 3. All acts and parts of acts in conflict herewith are hereby repealed.

USE OF PULPWOOD, PULP, AND PAPER

Mr. HALE submitted a resolution (S.Res. 205), which was ordered to lie over under the rule, as follows:

Resolved, That the Secretary of Agriculture be, and he is hereby, requested to submit to the Senate at his early convenience a report based on information already available covering—

(a) The extent to which the United States now depends upon imports of pulpwood, pulp, and paper to meet national requirements.

(b) Whether and the extent to which it is now possible with known pulp and paper processes to supply from the forest lands of the United States all of the pulpwood needed to meet the national pulp and paper requirements.

(c) What adjustments are feasible and necessary and what program of forest conservation is recommended for the immediate and more distant future by the Federal Government, the States, the pulp and paper industry, and private owners of forest lands to make the United States self-supporting in its pulpwood, pulp, and paper requirements.

(d) Whether it would advance or retard the program of forest conservation to make the United States self-supporting as to pulpwood, pulp, and paper requirements from American forests.

MANUFACTURE OF MUNITIONS OF WAR

Mr. NYE. Mr. President, early in February two resolutions bearing upon the subject of the manufacture of munitions of war were submitted—Senate Resolution 179, by

myself, and Senate Concurrent Resolution 9 by the junior Senator from Michigan [Mr. VANDENBERG].

These resolutions have now been referred to the Committee on Military Affairs. A subcommittee has been appointed to consider them. The chairman of that subcommittee has indicated a desire that the authors of the two resolutions be heard upon a resolution that would accomplish the purposes both were seeking. To that end the Senator from Michigan and I have prepared a resolution which we believe does accomplish what each of us is seeking.

I ask unanimous consent at this time, on behalf of the Senator from Michigan and myself, to submit this resolution and have it referred to the Committee on Military Affairs; also, that it may be printed in the RECORD.

There being no objection, the resolution (S.Res. 206) was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

Whereas the influence of the commercial motive is an inevitable factor in considerations involving the maintenance of the national defense; and

Whereas the influence of the commercial motive is one of the inevitable factors often believed to stimulate and sustain wars; and

Whereas the Seventy-first Congress, by Public Resolution No. 98, approved June 17, 1930, responding to the long-standing demands of American war veterans, speaking through the American Legion, for legislation to take the profit out of war, created a War Policies Commission, which reported recommendations on December 7, 1931, and on March 7, 1932, to decommercialize war and to equalize the burdens thereof; and

Whereas these recommendations never have been translated into the statutes: Therefore be it

Resolved, That a special committee of the Senate shall be appointed by the Vice President to consist of five Senators, and that said committee be, and is hereby, authorized and directed—

(a) To investigate the activities of individuals and of corporations in the United States engaged in the manufacture, sale, distribution, import, or export of arms, munitions, or other implements of war; the nature of the industrial and commercial organizations engaged in the manufacture of or traffic in arms, munitions, or other implements of war; the methods used in promoting or effecting the sale of arms, munitions, or other implements of war; the quantities of arms, munitions, or other implements of war imported into the United States and the countries of origin thereof, and the quantities exported from the United States and the countries of destination thereof; and

(b) To investigate and report upon the adequacy or inadequacy of existing legislation, and of the treaties to which the United States is a party for the regulation and control of the manufacture of and traffic in arms, munitions, or other implements of war within the United States, and of the traffic therein between the United States and other countries; and

(c) To review the findings of the War Policies Commission and to recommend such specific legislation as may be deemed desirable to accomplish the purposes set forth in such findings and in the preamble to this resolution; and

(d) To inquire into the desirability of creating a Government monopoly in respect to the manufacture of armaments and munitions and other implements of war, and to submit recommendations thereon.

For the purposes of this resolution the committee is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Congress until the final report is submitted, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the Commission, which shall not exceed \$50,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

CARRIAGE OF AIR MAIL BY THE ARMY—AMENDMENT

Mr. McADOO submitted an amendment intended to be proposed by him to the bill (H.R. 7966) to authorize the Postmaster General to accept and to use landing fields, men, and material of the War Department for carrying the mails by air, and for other purposes, which was ordered to lie on the table and to be printed.

EXTENSION OF TEMPORARY PLAN FOR DEPOSIT INSURANCE

Mr. GLASS. Mr. President, I ask unanimous consent to report back from the Committee on Banking and Currency, without amendment, the bill (S. 3025) to amend section 12B of the Federal Reserve Act so as to extend for 1 year the temporary plan for deposit insurance, and for other purposes. I also ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER (Mr. GEORGE in the chair). Is there objection?

Mr. McNARY. Mr. President, the request is rather unusual, and it has been my practice to request that reported bills go over for a day. However, in view of the emergency situation, being somewhat familiar with this proposed legislation and its importance, and knowing that the bill is unanimously reported from the committee, I shall offer no objection.

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 12B of the Federal Reserve Act is amended—

(1) By striking out "July 1, 1934" wherever it appears in subsections (e), (l), and (y) and inserting in lieu thereof "July 1, 1935";

(2) By striking out "June 15, 1934" where it appears in the last sentence of the third paragraph of subsection (y) and inserting in lieu thereof "December 15, 1934";

(3) By striking out "June 30, 1934" where it appears in the first sentence of the fifth paragraph of subsection (y) and inserting in lieu thereof "June 30, 1935";

(4) By amending the second sentence of the fifth paragraph of subsection (y) to comprise two sentences reading as follows: "The provisions of such subsection (l) relating to State member banks shall be extended for the purposes of this subsection to members of the fund which are not members of the Federal Reserve System, and the provisions of such subsection (l) relating to the appointment of the Corporation as receiver shall be applicable to all the members of the fund. The provisions of this subsection shall apply only to deposits of members of the fund which have been made available since March 10, 1933, for withdrawal in the usual course of the banking business."; and

(5) By adding at the end of the sixth paragraph of subsection (y) the following new sentences: "The Corporation shall prescribe by regulations the manner of exercise of the right of termination of membership in the fund on July 1, 1934, and may require members of the fund to give 30 days' notice prior to July 1, 1934, of election as a condition to withdrawal. Banks which withdraw from the fund on July 1, 1934, shall be entitled to a refund of their proportionate share of any estimated balance in the fund on the same basis as if the fund had terminated on July 1, 1934."

Sec. 2. The first paragraph of section 9 of the Federal Reserve Act, as amended (U.S.C., title 12, sec. 321), is amended by adding after the second sentence thereof a new sentence to read as follows: "For the purposes of membership of any such bank the terms 'capital' and 'capital stock' shall include the amount of outstanding capital notes and debentures legally issued by the applying bank and purchased by the Reconstruction Finance Corporation."

COMPANY UNIONS—ARTICLE BY SENATOR WAGNER

Mr. COPELAND. Mr. President, I ask unanimous consent that an article by my colleague [Mr. WAGNER] on company unions, appearing in the New York Times of Sunday, March 11, may be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 11, 1934]

COMPANY UNIONS: A VAST INDUSTRIAL ISSUE—SENATOR WAGNER SETS FORTH THE GROWTH OF EMPLOYER-DOMINATED ORGANIZATIONS, TELLS OF THEIR EFFECT ON COLLECTIVE BARGAINING, AND DISCUSSES HIS BILL, WHICH IS DESIGNED TO PREVENT ECONOMIC WARFARE

(The company union has become a focal point in the industrial-relations problem that confronts the Nation. It was under vigorous debate during the N.R.A. hearings last week and it is dealt with in a bill designed to eliminate strife between labor and industry, introduced in Congress by Senator WAGNER, who has served as Chairman of the National Labor Board since that body came into existence. The subject, together with other phases of the problem, is discussed in the following article.)

By ROBERT F. WAGNER, Senator from New York

Despite the emergency language in which it is cloaked, the recovery program embodies principles of reform as well as revival. The statistical indicia of revival are not to be denied, but the need for reform is still acute. And there is substantial agreement as to the path that reform must take if we are to achieve any approximation to social justice and avoid the recurrence of cataclysmic depressions. The fruits of industry must be distributed more bounteously among the masses of wage earners, who create the bulk of consumer demand.

This central problem has been envisaged broadly by the National Recovery Administration, led by General Johnson and ever subject to the dynamic personality and brilliant intelligence of President Roosevelt. But, despite their best efforts, the major portion of the problem remains unsolved. While reemployment has swelled the total volume of wage payments, the real earnings of the individual working full time are slightly less than they were last March.

Some of the minimum-wage provisions under the codes are lower than the standards actually prevailing in industry and in most of the upper wage brackets there have been reductions in hours without corresponding rises in hourly rates of pay. Despite the ameliorative features of a share-the-work movement, it is hardly the road to prosperity.

NEED OF EQUALITY

The reasons for the present difficulty are not hidden. The constant readjustments necessary to strike a fair balance between industry and labor cannot be accomplished simply by code revisions or by general exhortations. They can be accomplished only by cooperation between employers and employees, which rests upon equality of bargaining power and the freedom of either party from restraints imposed by the other.

Congress recognized this when it enacted section 7 (a) of the Recovery Act, restating the right of employees to deal collectively through representatives of their own choosing. But ambiguities of language and the absence of enforcement powers have enabled a minority of employers to deviate from the clear intent of the law and to threaten our entire program with destruction. Therefore I have introduced a bill to clarify and fortify the provisions of section 7 (a), and I am sure that it will meet with the support of the vast majority of people interested in economic welfare.

COMPANY UNIONS

At the present time genuine collective bargaining is being thwarted immeasurably by the proliferation of company unions. Let me state at the outset that by the term "company union" I do not refer to all independent labor organizations whose membership lists embrace only the employees of a single employer. I allude rather to the employer-dominated union, generally initiated by the employer, which arbitrarily restricts employee cooperation to a single employer unit, and which habitually allows workers to deal with their employer only through representatives chosen from among his employees.

In the fall of 1933 a thoroughly reliable study was made which covered more than one fourth of the total number of wage earners engaged in mining and manufacturing. An inquiry of this magnitude may be accepted as a fair sample of conditions in industry at large. It showed that only 9.3 percent of employees are dealing with employers through trade-unions, while 45.7 percent are bargaining on an individual basis and 45 percent are enlisted in company unions. Less than 14 percent of the employers embraced by the study are recognized trade-unions.

HAMPERING CONDITIONS

It is worthy of note that company unions are most prevalent in the largest plants. This means that in the very cases where the bargaining power of the employer is strongest the worker is least free to improve his own position by unhampered affiliation with others of his kind.

It is also true that these unions have multiplied most rapidly since the enactment of the law which was intended to guarantee to the worker the fullest freedom of organization. The number of employees covered by company unions rose from 432,000 in 1932 to 1,164,000 in 1933, representing a gain of 169 percent. More than 69 percent of the company-union schemes now in existence have been inaugurated in the brief period since the passage of the Recovery Act.

The company union, as I have defined it, runs antithetical to the very core of the new-deal philosophy. Business men are being allowed to pool their information and experience in vast trade associations in order to make a concerted drive against the evil features of modern industrialism. They have been permitted to recognize the values of unity and the destructive tendencies of discrete activities and to act accordingly. If employees are denied similar privileges, they not only are unable to uphold their end of the labor bargain; in addition they cannot cope with any problems that transcend the boundaries of a single business.

BENEFITS AND FAILINGS

The company union has improved personal relations, group-welfare activities, discipline, and the other matters which may be handled on a local basis. But it has failed dismally to standardize or improve wage levels, for the wage question is a general one whose sweep embraces whole industries, or States, or even the Nation. Without wider areas of cooperation among employees there can be no protection against the nibbling tactics of the unfair employer or of the worker who is willing to degrade standards by serving for a pittance.

The inability of employees to unite in larger groups has not only limited their efforts to secure a just share of the national wealth. It has interfered with their attempts to provide insurance against sickness and old age and to exert an effective influence upon salutary labor legislation. It has hampered the efforts of labor to preserve order within its own ranks or to restrain the untimely and wayward acts of irresponsible groups. In this latter aspect its unfavorable effect upon employers as well as workers stands clearly forth.

Even when dealing with problems that may without injury be devolved to the single company, the worker under company unionism suffers two fatal handicaps. In the first place, he has only slight knowledge of the labor market or of general business conditions. His trade is tending a machine. If forbidden to hire an expert in industrial relationships, he is entirely ineffectual in his attempts to take advantage of legitimate opportunities.

Secondly, only representatives who are not subservient to the employer with whom they deal can act freely in the interest of

employees. Simple common sense tells us that a man does not possess this freedom when he bargains with those who control his source of livelihood.

I am well aware that many employer-dominated organizations now permit their employees to choose outside representatives, and the National Labor Board has affirmed this policy in a recent case. But this right is a mockery when the presence of a company union firmly entrenched in a plant enables an employer to exercise a compelling force over the collective activities of his workers. Freedom must begin with the removal of obstacles to its exercise.

MAJOR QUESTIONS INVOLVED

Major questions of self-expression and democracy are involved. At a time when politics is becoming impersonalized and when the average worker is remote from the processes of government, it is more imperative than ever before that industry should afford him real opportunities to participate in the determination of economic issues.

The company union is generally initiated by the employer; it exists by his sufferance; its decisions are subject to his unimpeachable veto. Most impartial students of industrial problems agree that the highest degree of cooperation between industry and labor is possible only when either side is free to act or to withdraw, and that the best records of mutual respect and mutual accomplishment have been made by employers dealing with independent labor organizations.

THE COMPANY'S CASE

The principal argument advanced by the proponents of company unionism is that it promotes industrial harmony and peace without subjecting the individual company to the intrusion of outside labor groups who have no interest in the company's practices. Of course, in our complicated economy the interests of all employers and all employees are inextricably intertwined, and the assumption that outside workers have no valid interest in the labor standards prevailing within a plant is demonstrably false. Besides, a tranquil relationship between employer and employee, while eminently desirable, is not a sole desideratum. It all depends upon the basis of tranquility. The slave system of the old South was as tranquil as a summer's day, but that is no reason for perpetuating in modern industry any of the aspects of a master-servant relationship.

As a matter of fact, the company union cannot sustain even the claim that it tends to insure industrial peace. Men versed in the tenets of freedom become restive when not allowed to be free. The sharp outbreaks of economic warfare in various parts of the country at the present time have been caused more by the failure of employers to observe the spirit of section 7 (a) of the Recovery Act than by any other single factor. It has been my observation that industrial strife is most violent when company unionism enters into the situation, and that the company union line of organization is least likely to bring forth the restraint of irresponsible employees by others of their own group.

The implications of what I have just said are clear. If the employer-dominated union is not checked, there are only two likely results. One is that the employer will have to maintain his dominance by force, and thus swing us directly into industrial fascism and the destruction of our most-cherished American ideals; the other is that employees will revolt, with wide-spread violence and unpredictable conclusions.

The final argument advanced for company unionism is that it should be allowed to compete against trade unionism in an open field. If by company unionism one means simply the right of employees to confine their activities to a single employer unit when they wish to do so, I do not object to that principle in the slightest, and there is nothing contrary to it in the bill which I have introduced. But if by company unionism one includes the right of employers to obstruct the development of a more widespread employee cooperation, such a policy cannot be allowed to continue if we intend to pursue the philosophy of the new era.

THE NEW BILL

The new bill forbids any employer to influence any organization which deals with problems such as wages, grievances, and hours. They should be covered by a genuine labor union. At the same time, the bill does not prevent employers from forming or assisting associations which exist to promote the health and general welfare of workers or to provide group insurance, or for similar purposes. Employer-controlled organizations should be allowed to serve their proper functions of supplementing trade unionism, but they should not be allowed to supplant or destroy it.

Failure to meet the company-union challenge has not been the only defect of section 7 (a) of the Recovery Act. This section provides that employees shall be free to choose their own representatives. It has been interpreted repeatedly to mean that any employee at any time may elect to deal individually with his employer, even if the overwhelming majority of his coworkers desire a collective agreement covering all. Such an interpretation is detrimental to the practice and contrary to the theory of collective bargaining. It permits an unscrupulous employer to divide his employees against themselves by dealing with innumerable small groups or with individuals.

In my opinion, Congress certainly did not intend that the law should operate to place employees in a more unfavorable position than they were before the Recovery Act was passed.

The proposed legislation does not resolve the question of the closed-union shop. Such issues should be worked out by labor and industry in the course of experience. But the bill, if enacted, would make it clear that Congress has not intended to foreclose

the issue by illegalizing the closed-union shop or by placing any other obstacles in the way of making collective bargaining a working reality.

QUESTION OF RECOGNITION

The third major defect of section 7 (a) is that while it guarantees to employees the right to organize, it does not state explicitly the right to receive recognition through their representatives. This explains why company unionism has increased so rapidly despite the fact that other labor organizations have added 2,000,000 to their membership during the past year. Employees have been assured of their right to join whatever unions they prefer, but they have been forced to bargain either individually or through company unions.

This refusal of employers to deal with properly chosen representatives has been the cause of more than 70 percent of the disputes coming before the National Labor Board. The new bill is designed to remedy this evil. It is modeled upon the successful experience of the Railway Labor Act, which provides that employers shall actually recognize duly chosen representatives and make a reasonable effort to deal with them and to reach satisfactory collective agreements.

ATTITUDE OF EMPLOYERS

When the factual situation that confronts us is analyzed carefully and comprehended fully, I am sure that employers as well as employees will favor the proposed measure. Fair-minded employers who are now allowed to band together in huge trade associations do not desire to deny analogous rights to their workers. Fair-minded employers do not relish the pretense that industry and labor are upon an equal footing, when, in fact, industry controls both sides by dominating the strategic points in the areas of controversy.

Most important of all, far-sighted and broad-visioned employers who recognize the certainty of economic discord and the threat to our entire economic program that is implicit in the present status of labor relations will join whole-heartedly in this proposal for improvement.

There always will be an unfair minority who are amenable only to coercion. For this reason the National Labor Board, under the new bill, would be vested with statutory sanctions and given actual powers of investigation and restraint similar to those exercised by the Federal Trade Commission in cases of unfair competition. It would be composed of 7 members, including 2 representatives of employers, 2 of employees, and 3 of the general public, and it would be empowered to set up regional or local boards.

FUNCTIONS OF THE BOARD

The present National Labor Board, set up by Executive order, has carried on its activities for half a year. In that short time it has helped 650,000 employees, who were engaged in disputes, to return to work or to remain at work, upon terms satisfactory to all interested parties and promising durable peace. The chief function of the new board would not be to act as policeman or judge but to mediate and conciliate industrial disputes and to offer its services as arbitrator when the parties so desired. Aside from its power to prevent the specific unfair practices that would be forbidden by the law, it would not have the slightest flavor of compulsion. It would have no kinship to compulsory arbitration. It would continue to promote peace rather than strife and to appeal to the better judgment and good intentions of industry and labor.

When this board is established and bolstered by adequate sanctions and a clarification of the substantive law, it will help to solve the thorniest problem confronting us today and be one of the chief bulwarks of our future economic prosperity and social justice.

GREAT LAKES-ST. LAWRENCE WATERWAY TREATY

Mr. NORRIS obtained the floor.

Mr. LEWIS. Mr. President, will the Senator yield to me to make an announcement?

Mr. NORRIS. I yield to the Senator.

Mr. LEWIS. With the kindness of the Senator, I should like to state the program as it seems to be understood. The Senator from Nebraska [Mr. NORRIS] will speak first. I take the liberty to say I will follow him, and after I shall have concluded and speakers on the other side of the Chamber shall also have concluded, then the Senator from Missouri [Mr. CLARK] and the Senator from New York [Mr. WAGNER] ask to be heard for the remainder of the day, if there shall be time, and also the Senator from Rhode Island [Mr. METCALF]. I thank the Senator from Nebraska.

Mr. NORRIS. Mr. President, in the few remarks I shall offer upon the pending treaty I wish to express myself, to begin with, as being satisfied that those who oppose the treaty are moved by the same high conscientious motives that move those who favor it. I say this because I cannot understand, from my viewpoint of the situation, how any American citizen can be against the treaty.

For a great many years the great Middle West has looked forward to the time when the St. Lawrence River would be made navigable for ocean-carrying vessels. In that great

Mississippi Valley there are millions of people who for years have, by the sweat of their faces, produced the food that fed the Nation. We have seen many millions of public money appropriated and used in the improvement of harbors along the Atlantic coast and along the Pacific coast. We have seen other millions expended in the building and improvement of the Panama Canal, knowing that the benefits would in the main go to the coast States of our country, and that to some extent it might hamper the activities and the prosperity of the people of the great Mississippi Valley.

I have taken for granted, as I think most of the people in that section of the country have, that the time would come when we would improve the St. Lawrence River. I had assumed, perhaps wrongly, but I had assumed nevertheless, that there would be little or no opposition to a treaty such as we have before us now. I think most of the people in my section of the country have felt that way.

I have been dumbfounded at the opposition, not because the opposition has done anything wrong but I have been dumbfounded to see the strength of the opposition that has developed to the treaty on the part of honest people who do not look upon the question from the same viewpoint that I do. I am somewhat embarrassed to know how to solve the question in the face of that opposition sentiment when I see how it has grown and spread.

As I have said, I think it has been the universal sentiment of the great Middle West that the St. Lawrence River would be developed as a matter of course. To us in the Middle West it means a great deal. To the farmers of the great Mississippi Valley and the Missouri River Valley it is an important question upon which, so far as I know, there is no division of sentiment. I supposed all the people in that great valley were unanimous in favor of this development. For years we have been helping other sections of the country, doing it without any complaint because we believed it was our duty.

The question now presented, it seems to me, is national in its scope. I do not believe that the citizens of the great Middle West are moved by any jealous motives. I have lived nearly all of my adult life in that great valley. It will be only a few years until my bones will be laid to eternal rest in that soil. I approach this subject from the viewpoint of one who believes from the bottom of his heart that it is only justice to the people of the Middle West that the treaty be ratified. I am not asking for mercy; I am pleading for justice.

One of the great drawbacks to the great Middle West is the high cost of transportation. The farmers of that great agricultural section of the country, bread basket of the Nation, which produces much of what we eat and much of what we wear, are handicapped by the high cost of transportation, a handicap that does not affect the Pacific coast and does not affect the Atlantic coast. We in the Middle West lack water transportation. Cheaper transportation than we now have is necessary if we are to be prosperous and be happy. We have lived for years with the idea that the time would come when such a treaty as the one now pending would be made and ratified.

The men who pay transportation both ways, one way on what they sell and one way on what they buy, the men who pay the freight on everything they buy and have the freight deducted from what they receive for everything they sell, are asking nothing but justice at the hands of the United States Senate. We have stood by while the Congress built up the harbors and improved the rivers and built canals; and we have paid our share of the expense and subjected ourselves in some cases to a great handicap on account of it. We are now asking not as a matter of mercy but as a matter of right and as a matter of justice that we be given in a national way relief and help such as we have aided in giving to the rest of the Nation.

The question is national. It ought not to be decided on the basis of some local objection. It ought not to be decided on the basis of some trivial consideration even though there may be some justice in the viewpoint of those interested from such a standpoint. The question ought to be

decided on the broad ground of what is good for the Nation as a whole.

Cost of transportation enters into everything we eat and wear and use from the cradle forward to the coffin. It enters into everything connected with our civilization. This great treaty will lower the cost of transportation for those people who are overburdened because they are producing at a financial loss much of the food we eat and much of that which we wear. Transportation is one of the chief items of cost involved in those products. Now the Senate has an opportunity to lower the cost of transportation.

By ratifying this treaty we would bring the Atlantic Ocean a thousand or so miles nearer the Mississippi Valley. We would increase the prices the farmer would get for practically all the farm products of the Nation. We would by this treaty do what we have been trying to do for several years by various acts of Congress, most of which have at least partially failed. As a nation in this civilized day are we not entitled, not only the farmer, but everybody else, to the lowest possible cost of transportation that enters into the cost of living, that enters into everything with which we have to do?

Are we going to say that the world shall stand still? Are we going to say that we will not take this step in advance? Are we going to deny to the farmers of the West the cheapening of their transportation to the seaboard, and the cheapening of the freight from the seaboard to the interior of the country? Are we going to turn our backs upon the sun of civilization and go backward? Are we going to say that improvement must end? Are we going to continue to increase the burdens of these millions of people simply because of some selfish objection or because of some local interest or local prejudice that exists somewhere?

It does not seem to me possible. It does not seem to me that the Senate can turn its back upon the demand of these people, who for so many years have been crying aloud for the right to live, the right to get cost for what they produce, that we must have in order to live.

What are some of the objections to this treaty, Mr. President?

It is said that the construction of this seaway will injure men who are employed upon our railroads. It is objected to by the coal men because some water power will be developed. It is objected to by some men on railroads—short-sighted men, I think—because they say it will interfere with transportation from the Great Lakes to the Atlantic Ocean. After all, I think that is a narrow, narrow viewpoint. The world never would have taken a step in advance if our forefathers had always adhered to that rule. We would have been cutting wheat today with a sickle, as they did in the days of Abraham. The history of civilization is the story, in the main, of improved machinery and improved methods of transportation.

If our forefathers had adhered to that rule years ago there would have been no railroads. You can go back and look up history and you will find that many men condemned the advent of the railroad. There would not have been any roads; there would not have been any wagons; there would not have been any automobiles, because somewhere someone said, "I am going to be thrown out of employment if this new thing goes into operation."

I wish I could say to every laboring man in the United States, "If you take the view that we must not improve our transportation system because it is going to throw somebody out of a job, you take a position that not only will prevent advancement but that in the end will kill every labor organization in existence." Labor cannot afford to stand against the advance of civilization. It cannot afford to condemn new types of machinery or improved methods of transportation.

But, Mr. President, the construction of this seaway will not injure men on the railroads. This great improvement will not be completed, if it is commenced, for 10 years. Every man who loses a job, if there be any, will probably find a better one in its stead. I cannot tell what it is going to be, or when it is going to be; but God in His wisdom, in

the development of our advancing civilization, has found a niche somewhere for every man who has had to give way when, for the public good, some improvement went into operation. Things will adjust themselves before the 10 years are up if we advance as everybody has a reasonable right to anticipate we will. There will be a necessity for additional railroads over what we have now in order to do the business of the country.

Everything of that kind always has righted itself in the past. It will in the future. In other words, we must not try to prevent, in the name of labor, the introduction of improved machinery and the advance of civilization. We can dam up a river if we want to, and hold back the flood waters for a while; but, if we continue, the time will come when the embankment made by man will be unable to withstand nature's demands, and the damage will be all the greater, the flood all the more destructive, on account of the artificial obstruction.

If I may be permitted to refer to a personal incident, I remember, when I was a grown boy, working out by the day on the farms of our neighbors, that the time in the year when we received greater pay than any other was during the wheat harvest, when it was necessary to have men to bind the wheat. I remember when the self-binder came in, and when I had a job, with other boys like me, binding wheat in the neighborhood it was noised about that Jim Mook, a wealthy farmer, had bought a self-binder, and that it would bind by machinery. Generally it was not believed among men who were doing the work that I was doing. We thought it was impossible for a machine to be invented that would ever tie a knot; but it did work, and I remember the field where it was first put in operation, the largest wheat field in that community, the largest one that I had ever known at that time—40 acres. The self-binder worked 1 day, and that night somebody took some of the sheaves of wheat and piled them around the binder and set fire to them, and Jim Mook's binder disappeared.

When I went home that Saturday night I knew that sitting by a tallow candle, either reading the Bible or knitting a stocking, would be an aged mother waiting for her only living son's return; and I will never forget, when I entered, the first word that mother said was, "William, have you heard about Jim Mook's self-binder?" I said, "Yes, mother; I have heard about it." As quick as a flash came the next question: "Wasn't that awful?" I said, "Yes; I think it was awful." Then, as quickly as one thought could follow another, came the next question: "But what are we poor people going to do?"

There it was in a nutshell. We saw our jobs disappearing because of the self-binder. "What are we going to do?" We could not see into the future.

That, however, was all taken care of. The self-binder has come. It has given way in many parts of the country to still further improved wheat machinery; and the men who bound wheat with me in those days, years ago, all found other jobs. They all found the niche where they would fit. Nature has made no mistake in that respect. The argument I desire to make, however, is that, even if there were no other jobs, no man can justify himself in standing in the way of human advancement. As I look at it, no man can justify his position in being against this treaty.

I know it is said by some along the Mississippi River that the construction of this waterway will interfere with the development of that country; that it will interfere with the development of the Mississippi River.

Mr. President, I have lived in the Mississippi Valley nearly all my life. One of the last things I should ever want to do would be to hinder or interfere with the development of that great valley. The people who live in that valley and who want this treaty ratified are in no sense, under no circumstances, against the development of the Mississippi River. We want to have it developed to its highest extent. But, Mr. President, if there are two ways of shipping the produce of that great country to market, we want them both. The ratification of this treaty will in no way interfere with the development of the Mississippi River.

Mr. BARKLEY. Mr. President—

The PRESIDING OFFICER (Mr. THOMPSON in the chair). Does the Senator from Nebraska yield to the Senator from Kentucky?

Mr. NORRIS. I yield.

Mr. BARKLEY. Looking at this matter from a long-view standpoint, assuming that some day the Mississippi River will be connected with Lake Michigan, which has been a project under discussion for many years, I wonder whether the Senator would be willing or is prepared to discuss the possibility that the St. Lawrence Canal might ultimately contribute to the further development of the Mississippi River as a navigable stream, and as giving an outlet, both north and south, to the products of the Mississippi Valley.

Mr. NORRIS. I think it will contribute to that possibility. If we crawl into a hole out there and say we want all the produce of that great section of the country to go down the Mississippi River, and none of it to go through the St. Lawrence Canal, we will only be standing in the way of progress, we will only be blocking the road; we will be in the way. One development will help the other.

Mr. President, I desire to discuss briefly some of the contentions made about taking water out of the Lakes. If some of the contentions made by those against this treaty are well founded, we have a right to drain the Great Lakes, we have a right to take the waters of Lake Michigan, Lake Huron, and Lake Superior, and turn them all into the Mississippi River. I cannot agree with that.

First, there is an international question. We could not do that because such action would be a violation of international law. We have no right, under international law, to take any water out of Lake Michigan. We have no right to take that water out because such action would not only violate international law, but it would violate the rights and the privileges of those using the harbors of Lake Michigan, Lake Erie, Lake Huron, and Lake Superior.

Mr. LONG. Mr. President, will the Senator yield to me?

Mr. NORRIS. I yield.

Mr. LONG. I have understood the proponents of the treaty, particularly the Senator from Wisconsin and others, not to question that America could do what she wanted to do with Lake Michigan.

Mr. NORRIS. I question it. I will say to the Senator, the leader of the opposition to the ratification of the treaty, that I believe if he will consider the matter fairly he will be compelled to reach the conclusion that we have no lawful right and have no moral right to take the waters out of Lake Michigan and put them into the Mississippi River.

Mr. LEWIS. Mr. President, if I may interrupt, if the Senator referred to me as the leader of the opposition, both by national law and international law we have the right to the American waters and the right to deny the privilege of other countries under any law to take these waters to a foreign country in opposition to American sovereign rights.

Mr. NORRIS. Mr. President, I do not expect all the Senators will agree with me in this matter; but if we can take 15,000 cubic feet of water per second out of Lake Michigan, we can take 30,000. If we have a right to take 30,000, we can take it all out. If we did have a right, under international law, to do that, I would not be in favor of doing it. I think it would be morally wrong, even if not legally wrong.

Mr. LONG. Mr. President, cannot the Senator concede, inasmuch as there is such a difference of opinion, that there will come a time when we will need the water of Lake Michigan, or some of it?

Mr. NORRIS. No; I do not think the time will ever come, I will say to the leader of the opposition. But I would have to admit that we could not do it even if I believed that time was coming. If it is wrong to take that water out, if it is illegal, no matter how badly we wanted it, we would not have any legal right to take it.

Mr. LONG. What are we to do about the amount they are taking there now?

Mr. NORRIS. We have an agreement about taking it.

Mr. LONG. With whom?

Mr. NORRIS. There is a Supreme Court decree about what they shall take. We have given Canada some additional power in order to compensate for her loss at the Chicago diversion.

Mr. LONG. I will not ask the Senator any further questions in regard to that. I had understood that there was no question whatever about our owning Lake Michigan and having the power to do whatever we wanted to do with Lake Michigan.

Mr. NORRIS. We cannot take the water out of Lake Michigan without taking it out of Lake Superior and Lake Huron.

Mr. LONG. It might be said we cannot take it out of that lake without taking it out of the Arctic Ocean.

Mr. NORRIS. In the first place, I think it would be illegal. If it were not illegal, it would be wrong morally and we would not want to do it. All the cities located along the lake shore on the American side would have a moral right to object. I think it is as old as the common law that, under the law, we could not do that. Whether we could or whether we could not, we would not want to do it, as I look at it, and even if we wanted to do it we could not because it would be illegal.

For the various reasons I have stated I cannot agree that there will be a time in the future when we will want to take such action. But even if my vision were as great as that of the eminent leader of the opposition, I would have to admit that it would be wrong, that we would have no right to take that viewpoint. It seems to me I would be compelled to admit that. If there were no law applicable whatever, would anybody say that we should drain the Great Lakes without Wisconsin and Michigan and Ohio and the other States as well as Canada being taken into consideration and consulted? Would we have a right to do it if there were no law on the subject?

In the first place, in a general way, as I understand the treaty, it provides for the payment of the expenses incident to the construction of the waterway, one half by the United States and one half by Canada. Is there anything wrong about that? Is not that fair?

Mr. LEWIS. Mr. President, since the able Senator asks the question for reply, I must say there is something wrong about it. It is that Canada would pay about one fourth or one third, and we would pay about three fourths or two thirds.

Mr. NORRIS. I will say there is something wrong about the answer. One half is charged to Canada, one half is charged to the United States. If there were to be any difference in the costs to the two countries one could make a very good argument to the effect that the United States should pay the greater part of the cost. I think we will get much more benefit out of the waterway than will Canada. While Canada has a few cities along the Canadian shores of these Lakes which would be benefited, we have dozens of them. We have 10 or 12 times as many people living in the vicinity of the shores on this side as live on the other side.

I anticipate that if this treaty shall be approved, and shall go to the Canadian Parliament, there will be those there who will argue that it is unfair to Canada because Canada is to pay one half of the expense and the United States is to get more than one half of the benefit.

Mr. BONE. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. BONE. Is it not a rather interesting fact that Canada, which is to pay one half, as the Senator indicates, is a country with only 10,000,000 population, as against 123,000,000 in this country?

Mr. NORRIS. I think that is a very good point. Yet it is argued that we are going to employ Canadian labor and use Canadian materials at a certain place. Do the Senators so contending realize that something of that kind is necessary where we are building a canal or building a dam along the border? We have our laws in reference to labor; we have our tariff laws in reference to materials. We could not concede that Canada should come over here and bring

Canadian laborers or Canadian materials into this country. Nor could we go over there. The work is to be done by an international commission the treaty sets up. When the work takes us to the Canadian side, the commission will necessarily have to use Canadian material. Our tariff laws do not apply in Canada. When they are on our side, it will be different. Is not that right? Could we do anything different in drawing a treaty? Could it be said that our people were unfair when they conceded that such a thing could be possible?

It is claimed that those who negotiated the treaty in our behalf were fooled all the way through. I have heard that so much that to me it is almost nauseating. We know who our representatives were. Have we any reason to question their honesty? Do we not all admit their ability? Is there any question about these negotiations from beginning to end that makes it look as though our representatives were fools and the Canadian representatives were wise men?

I take it that each side was moved by the incentive to be fair to the other side. We did not want any advantage of Canada, and Canada did not want any advantage of us. So far as I am able to see, when one looks at it candidly, he will find that there is nothing unfair, that there is nothing unnatural, connected with this treaty from its beginning to its ending.

Mr. President, so much has been said during the debate about the politics involved in connection with the treaty that I desire to discuss the matter just a little from the party standpoint.

Let me say to the Senators who do me the honor of listening that I am now going to discuss the question from the viewpoint of the party man, not from my viewpoint. I concede that I am entirely moved in my vote upon the treaty by my own convictions, and not in any degree by the platform of any political party, and I think such conviction ought to decide the question. But there are many men more able than I, and just as honest, who do not agree with me as to that, but who believe in the party system of settling such questions as this.

Let me read from the Democratic platform. As I am discussing this question now, as I said before, I am not discussing it with the idea that the views of the people who want to follow party in a matter like this are correct. I think the only thing in the Democratic platform pertaining to this question, by any possible construction, is the following:

We advocate the extension of Federal credit to the States to provide unemployment relief wherever the diminishing resources of the States make it impossible for them to provide for the needy; expansion of the Federal program of necessary and useful construction affected with a public interest such as adequate flood control and waterways.

I am not finding fault with any Democrat who says that he is not bound by his party platform to support the treaty. A Senator can easily bind himself by reading into the platform something that he says is implied, if he wants to be bound by it, and excluding it if he does not want to be bound by it.

This quotation from the Democratic platform will let Senators in or let them out, just as they want to be. It covers everything and it does not touch anything. They can give it as a defense for their vote for the treaty, and they can give it as an excuse for their vote against the treaty.

Whatever may be said about the Democratic platform, nothing of that kind can be said about the Democratic candidate for President. He announced his construction of the platform. He announced his support of the treaty early in the campaign. He deceived nobody. He took an advanced position in favor of the treaty, he held it during the campaign, and he let everybody know the position he took. There was not anyone who wanted to know how the Democratic candidate stood but could easily have found out where he stood on the proposition. While I do not believe the position taken by the candidate binds a man to vote for the treaty in the Senate, it did put everybody on notice that the Democratic candidate for President was in favor of the treaty. It put everybody on notice that he believed that a conclusion justifying such a position could be

drawn from the Democratic platform. He was for it. So that no complaint could be made by the voter on account of any equivocation or lack of decision on the part of the Democratic candidate for President.

Let us see about the Republican platform. The Republican national platform said:

The Republican Party stands committed to the development of the Great Lakes-St. Lawrence seaway. Under the direction of President Hoover negotiations of a treaty with Canada for its development is now at a favorable point. Recognizing the inestimable benefits which will accrue to the Nation from placing the ports of the Great Lakes on an ocean base, the party reaffirms allegiance to this great project and pledges its best efforts to secure its early completion.

There is nothing deceptive about that platform. There is nothing about that language that can be misunderstood. Every man who can read must reach the conclusion that the Republican platform made a pledge in favor of the treaty.

But it might be said by some Republicans that the treaty at that time had not been completed. It had been completed, as a matter of fact, but had not been published. It was completed by the Republican candidate for President, Mr. Hoover. There was not any doubt where he stood on it. He negotiated the treaty. The Republican platform endorsed it.

Are Republican Senators bound to support the treaty? From my viewpoint I concede they would not have to be for it. From a party viewpoint, if there ever was a provision in a platform that bound anyone, this one does so. If there ever was a platform that undertook to bind its party adherents this one does it.

I will read a little more from the Republican platform, showing how the makers of that platform felt it ought to be construed:

The delays and differences which recently hampered efforts to obtain legislation imperatively demanded by prevailing critical conditions strikingly illustrate the menace to self-government brought about by the weakening of party ties and party fealty.

That is in the Republican platform. Those are grave words. They mean that it is the duty of a member of the party to stand by the platform to the end. Says this platform:

Experience has demonstrated that coherent political parties are indispensable agencies for the prompt and effective operation of the functions of our Government under the Constitution. Only by united party action can consistent, well-planned, and wholesome legislative programs be enacted.

How do the Republicans like that? It says—and this is the Republican platform—that this is the only way in which we can get action for the benefit of our common country.

Let me read it again:

Only by united party action can consistent, well-planned, and wholesome legislative programs be enacted.

Further on it says:

We earnestly request that Republicans through the Union demand that their representatives in the Congress pledge themselves to these principles, to the end that the insidious influences of party disintegration may not undermine the very foundations of the Republic.

What does that mean? How can a Republican, a party man, excuse himself for not writing to Senators and asking them to back up the treaty that was agreed to in the Republican platform?—

We earnestly request that Republicans through the Union demand that their representatives in Congress pledge themselves to these principles—

What are they? The building of the St. Lawrence Seaway Canal is one of the principles to which Republican Senators are pledged.

Mr. LONG. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Louisiana?

Mr. NORRIS. I yield.

Mr. LONG. Who is pledged? All the Republicans? Does that mean that everybody in the Republican Party, some of whom did not go to the Republican convention, are pledged to that platform?

Mr. NORRIS. Mr. President, will the Senator repeat his question?

Mr. LONG. Does that mean, Mr. President, that all Republicans are pledged to the Republican platform?

Mr. NORRIS. I said from the viewpoint of the party man every Senator on the Republican side is pledged to vote for the ratification of the treaty.

Mr. LONG. I do not exactly understand, Mr. President. I thought the Senator and myself had been telling the people to throw off the party pledge.

Mr. NORRIS. That is what I said a while ago.

Mr. LONG. I did not hear that.

Mr. NORRIS. Yes; that is what I said a while ago. I am arguing now from the standpoint of the party man, calling attention to the viewpoint that he has to take to be consistent. There is no escape from it.

Mr. LONG. This might be one of the times when it is well to see the wisdom of following the course of the Senator from Nebraska in not always following the party platform.

Mr. NORRIS. This is one of the times when the Senator from Nebraska is pleading that the party observe its promise. This is one of the times when he is pleading with those who make platforms and those who swear by them to stand by them; in other words, to do what they agreed to do, to keep their word.

I do not know how much effect this plea of mine is going to have. I have become an outcast in the main because I have refused to let party platforms and party men control me. That is what party men have against me. So far as I know, that is all they have against me. I want to see how many Republicans on this side of the aisle are going to be in my class, and how many are going to stand by their platform, as I am advocating they should do.

Mr. LONG. Mr. President, may I ask the Senator how long he has been in Congress refusing to be bound by the party platform?

Mr. NORRIS. Oh, so long that the memory of man runneth not to the contrary. [Laughter.]

Mr. LONG. Would it not be a good thing for those who wish to stay in the Senate to follow the course of the Senator from Nebraska and refuse to be bound by party platforms?

Mr. NORRIS. I do not know. They will have to decide that question for themselves. I am not arguing that point. I am making the argument that they ought to keep their word. I do not know whether they want to stay in Congress, but whether they stay or not, I ask them to keep their word. I ask them not to violate their pledge. They have pledged their honor to be for the treaty, and they ought, from my standpoint, to vote for its ratification. There is no escape from that conclusion. Some of the men like me in the Senate are condemned, and if the question is asked as to why we are condemned the answer is because we do not abide by our caucus rule, we do not support candidates sometimes, we do not stand by platforms sometimes. The very reasons that such men as I have been condemned make it imperative now to keep the record straight, in order that Republican Senators may now vote for ratification of this treaty.

I have here a copy of a speech delivered over the radio by the Senator from Iowa [Mr. DICKINSON]. He delivered it on the 30th day of July 1932. That was after both conventions had been held. He delivered it in the afternoon—remember that, because I am going to refer to another speech delivered on the evening of the same day over the radio—and the principal object of this speech, I think, was to convince the hearers that the Republican Party had stood by the farmer; and he did a very nice job of it, as will be seen by anyone who reads the speech. For my purposes I want to quote one portion of the speech. After he had enumerated a number of things the Republican Party had done for the farmer, the Senator from Iowa said:

Another subject of vast concern to American agriculture, and particularly to this industry in the great Northwestern States, is the Great Lakes-St. Lawrence Seaway. Favoring this route from the first, President Hoover has succeeded in negotiating a treaty with Canada by which this waterway will be built and a cheap

transportation outlet to the Atlantic will be given to the farmers of the Middle Western and Northwestern States.

Just where the Democratic Party stands on this seaway is questionable. It failed to make any mention of it in the party platform. The story goes that a declaration in favor of it was proposed and rejected. Upon learning this, Senator Walsh, of Montana, permanent Chairman of the Democratic Convention, raised a fog, but without success in having a declaration written into the platform.

That was on the 30th day of July. He was at Chicago when he delivered that speech at 1 o'clock in the afternoon. On the same evening—

Mr. VANDENBERG. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. POPE in the chair). Does the Senator from Nebraska yield to the Senator from Michigan?

Mr. NORRIS. I yield.

Mr. VANDENBERG. I wish the Senator would call attention to the fact that the speech to which he has referred was delivered 2 weeks after the treaty was published, so that there is no question about any generalities in the endorsement.

Mr. NORRIS. I thank the Senator for the suggestion. The treaty was published on the 18th of July and the speech was delivered on the 30th.

That same evening the Democratic candidate for President made a speech over the radio, and in that speech he stated that he was for this great seaway. Mr. Roosevelt, at that time candidate on the Democratic ticket, undertook to say that, as he looked at it, the St. Lawrence project was included in the public improvement or the unemployment plank of the Democratic platform; at least, he was for it and advocated it. The next morning the Senator from Iowa [Mr. DICKINSON] sent a telegram to the Democratic candidate for the Presidency, Mr. Roosevelt, from which letter I desire to read an extract:

FRANKLIN D. ROOSEVELT,
Executive Mansion, Albany, N.Y.:

In your radio address last night while reading what you informed your national audience to be the Democratic platform you made use of the phrase, "including the St. Lawrence-Great Lakes deep waterways", in what you called the Democratic unemployment plank. I am constrained to believe that in so doing you have, knowingly or otherwise, committed an amazing deceit upon the American people. It is unfortunate that you should begin your campaign for the Presidency so inauspiciously.

I have before me the official copy of the Democratic platform, issued at Washington following the Democratic convention by the Democratic National Committee, in which there is no reference to the Great Lakes-St. Lawrence deep waterway.

He discusses several questions, and finally says:

Can it be the intention of your managers to foist this rewritten platform, together with your comments thereon, upon the American people as the original and genuine article? If so, it is significant that it will be done only after President Hoover had successfully concluded the St. Lawrence Seaway Treaty, and after you undoubtedly had learned of the immense popularity of that project with the farmers of the Middle West.

I have taken it upon myself to direct this inquiry to you because only a few hours prior to your speech I addressed myself over the radio to the American farmer on this very subject. I stated:

"Just where the Democratic Party stands on this seaway is questionable. It failed to make any mention of it in the party platform."

Going to show, Mr. President, that the leaders of the Republican Party were making a claim, which I think they were justified in making, that the Republican Party stood for this seaway and that the Democratic Party had not stated whether it was for it or not, and criticizing Candidate Roosevelt because he was for it and because he was trying to convince his hearers that he could be for it under the Democratic platform, criticizing him in language hardly courteous, and in the same breath saying to the farmers of America, "Here is this great seaway that we are going to build. The Republican platform is for it; the Republican President is for it." Now, however, some of the Republican Senators are against it. It is more than I can understand.

Mr. President, I had expected to discuss the question of power, but, on account of my physical condition, I will not be able to do that today. Perhaps sometime during the consideration of the treaty, in connection with some of the

amendments which may be proposed to it, I shall offer some remarks on that subject.

Mr. LEWIS. Mr. President, may I ask the Senator from Nebraska if he has yielded the floor?

Mr. NORRIS. I have.

Mr. LEWIS. I ask to be recognized.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. LEWIS. Mr. President, may I say that one of the Senators asked me if I would yield to him for some matter he desires to present. I inquire if that Senator is on the floor. [A pause.] I understand the Senator who made the request has been called to one of the departments.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield to me to suggest the absence of a quorum?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Oklahoma?

Mr. LEWIS. I yield.

Mr. THOMAS of Oklahoma. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Cutting	King	Robinson, Ark.
Ashurst	Davis	La Follette	Robinson, Ind.
Austin	Dickinson	Lewis	Russell
Bailey	Dieterich	Logan	Schall
Bankhead	Dill	Loneragan	Sheppard
Barbour	Duffy	Long	Shipstead
Barkley	Erickson	McAdoo	Smith
Black	Fess	McCarran	Steiwer
Bone	Fletcher	McGill	Stephens
Borah	Frazier	McKellar	Thomas, Okla.
Bulkley	George	McNary	Thomas, Utah
Byrd	Gibson	Metcalf	Thompson
Byrnes	Glass	Neely	Townsend
Capper	Goldsborough	Norris	Trammell
Caraway	Gore	Nye	Tydings
Carey	Hale	O'Mahoney	Vandenberg
Clark	Harrison	Overton	Van Nuys
Connally	Hatch	Patterson	Wagner
Coolidge	Hayden	Pittman	Walcott
Copeland	Johnson	Pope	Walsh
Costigan	Kean	Reed	Wheeler
Couzens	Keyes	Reynolds	White

Mr. LEWIS. I beg to repeat the announcement that the Senator from Tennessee [Mr. BACHMAN], the Senator from South Dakota [Mr. BULOW], and the Senator from New Hampshire [Mr. BROWN] are unavoidably detained from the Senate, and that the Senator from Iowa [Mr. MURPHY] is absent on account of a severe cold. I ask that this announcement may stand for the day.

The PRESIDING OFFICER. Eighty-eight Senators have answered to their names. A quorum is present.

IN OPPOSITION TO RATIFICATION OF ST. LAWRENCE TREATY

Mr. LEWIS. Mr. President, I desire the indulgence of the Senate by recalling to them that on all occasions at any time when I have been honored with the floor and their attention I have never declined to yield for interruption at the request of one of my colleagues on either side of the Chamber. Today, sir, in view of the fact that I, as leader, so termed, of debates in opposition to the treaty, have assigned Senators for and opposed, on both sides of the aisle, time for their addresses today, I regard it would be most unfair on my part if, yielding to interruptions of interrogatories and answering them as their merits would call for, I would consume such length of time as would practically cut away the opportunities and privileges of others on both sides of the aisle who expect to speak today.

It is for that reason that I ask my eminent colleagues on either side of the Chamber to defer interruptions until at such point in my address as I may be permitted to yield to them without embarrassment to other Senators awaiting their opportunity to deliver their views.

Mr. President, obeying directions of my colleagues, I open the debate against the treaty at this time. Here I make brave to touch upon a subject of a delicate nature. Information has drifted to this honorable body intimating that the President of the United States has interested himself in soliciting support for ratification of the treaty at the hands of Senators, and these solicitations of the President being by him based on personal sentiment or some prospective political favor. It is also intimated and brought into this

Chamber that members of the Cabinet of the President have assumed to address Senators individually, demanding of them the support of the ratification of the treaty as something of an obligation or duty they owe to the President of the United States.

Mr. President, in behalf of the President of the United States I must challenge the accusation, and, knowing him as I do, I must denounce the intimation that he, scholar of the Constitution, faithful public servant of America, would assume to influence his co-colleague body to separate itself from its constitutional duty either as a consideration of sentiment or as compensation for political reward. I deny that any member of his Cabinet would assume to control or intimate influence based on patronage to secure votes of a Senator.

It is a thing to which the distinguished President would not descend, and I here inform my able colleagues that I know no man in all the political life of America or of the world who would hold in contempt more completely the man who would surrender his duty owed to his constituents or constitutional oath as Senator for any form of sentiment or favor than this President of the United States, Franklin D. Roosevelt.

Sirs, it is this President who says to his colleagues of the Senate, "I could not love you so, did I not love honor more."

Mr. President, under the Constitution of the United States the Senate of the United States is the maker of a treaty. Let us have no misunderstanding or misconstruction on this constitutional duty. When a person is named for office—and I am speaking now of constitutional offices—that person is subject to confirmation by the Senate; but if not confirmed by being not acted upon by the Senate he may still take his office and perform its duties. Subsequently the action of the Senate may change his position.

But when it comes to a treaty the Constitution of the United States, by the designation of the people in the creation of the Government, has prescribed and described that it is the States who, with the President, make a treaty; that before such proposed treaty can be said to have been made and executed it shall have had two thirds of the States of the Union in some voice approving it; thus the provision of the Constitution requiring the approving votes of two thirds of this body. Therefore, Mr. President, the Senators and the President are conjunctive forces through which a treaty is made.

If a Senator should abrogate his duty as a Senator and violate his conscience or surrender the rights of his constituents in consideration for any form of favor, political or personal, such a one would violate his oath, he would violate the Constitution, he would desecrate the office, he would pollute the Chamber, and would be unworthy of the name of Senator, and must go out in the air branded by all of honor as a traitor to his trust.

I cannot conceive that any Member now of this body could ever come within that pale or ever be subject to that category. This more I add before concluding this phase: That the history of this body will restore to the mind of any Senator of memory that certain Senators of both political parties in the past—I refer now specifically to the treaty known as the "Hay-Pauncefote Treaty", negotiated between England and the United States, and that other treaty designated as the treaty for the Panama Canal, previously known as the "Nicaragua Treaty"—Senators who for mere accommodation sacrificed a principle and abandoned their constituents or in cowardice shrunk from duty due interests as constitutional officers of this Government—far from being rewarded by the Presidents then in power for this contumely—not only were ignored, but, as they ran for office afterward, not one word of approval, far less of advocacy, of either one of these certain-remembered Senators ever came from the then President of the United States.

So little did he hold such servants as worthy, and so greatly within his heart must he have held them as unworthy, that they not only failed to receive reward, if it had been expected, but they received the silent condemnation of an honorable official serving as President of the United States. We have the fulfillment of the Tarquin text, in the

days the Romans, after the surrender by an officer of his post for reward. Turning in disgust from his presence, the commander hissed, "Oh, ye gods, how we love the traitor while betraying—but, oh, how we hate him when he has betrayed."

Mr. President, I make this allusion that it may not be forgotten that there is a very high sense of honor on the part of the American public, and it is that public to which every Senator at some time or other will be called on to respond for his action, and there he will be met and adjudged, based on how he discharged his duty.

I now, Mr. President, proceed upon the prerogative of an independent Senator, and as a compatriot of my distinguished colleague [Mr. DIETERICH], representing the State of Illinois, we present the reasons for our opposition to the ratification of this treaty and, speaking on my own right, tender to the Senate justification, pledged, sir, not upon a mere local demand of either the waters of the Lakes, or that of a prospective waterway, or that of transportation in behalf of railroads, or that of what is called hydroelectric power, but upon the larger and greater basis of the national preservation, of the sovereignty of the United States, and the dignity and honor of the Republic of the United States of America.

Mr. President, what is that we are asked to ratify? It is a treaty which assumes in its spirit to deliver a part of the sovereignty of the United States, a portion of its land, and much of the sovereignty of its water and land to a foreign country. It is land in part of 3 States; it is land and water in 1 State. I have asked this honorable body in a previous speech to consider the opinion of the Supreme Court of the United States which I read to this body in One Hundred and Thirty-third United States Reports, where the Supreme Court has decided that it is not within the power of the Federal Government to bargain away under treaty the sovereign right of a State, neither as to its property or the rights, privileges, or sovereignty. At the time I read that opinion I had not in investigation revealed a subsequent opinion of the Supreme Court of the United States which I beg now to invite the Senate to consider. It is the concurring opinion of Mr. Justice White as a member of the Supreme Court of the United States in what are known as the Insular Cases, found in One Hundred and Eighty-second United States Reports. There the Supreme Court of the United States again announces that while "in a great war crisis", or as the result of one, or where "a new boundary has been provided for in some new adjustment", the Federal Government may dispose by treaty of certain sections of a State that lie necessarily along the boundary or within the territory of this new adjustment, but that territory forming part of the United States cannot for the object of transfer be alienated by the treaty-making power. In the language of Mr. Justice White, it can only be done—I may read the exact expression—

From the exigency of a calamitous war or the necessity of a settlement of boundaries.

Mr. President, this treaty has no consent of any State whose property, land or water, is ceded by it or through it.

Mr. LONG. Mr. President—

The PRESIDING OFFICER (Mr. POPE in the chair). Does the Senator from Illinois yield to the Senator from Louisiana?

Mr. LEWIS. In a moment.

I beseech you to note that so cautious on this theme was Britain that under the Ashburton Treaty in 1842 she, recognizing what was essential when she sought a favor of transfer of United States territory looking toward her own interest, forced this Government to adopt that point of view I define. Certain territories from the States of Maine and Massachusetts had been by our Government ceded by an arrangement to New Brunswick, a Province, later a section of the Dominion of Canada. Britain, before she would accept the arrangement as completed, had a provision inserted in the treaty of 1842, known as the "Ashburton-Webster Treaty", calling upon the States to ratify the privilege of Canada to occupy this territory passed to New Brunswick.

I describe the portion ceded that had been previously the property of the State of Maine and the State of Massachusetts.

I therefore, sir, invite the attention of the Senate to this situation—the parallel that when Canada sought to obtain possession for her benefit of territory that was American she saw that it was necessary to have the consent of the States involved, and obtained it. This, if you please, sir, was under the conception of our Constitution and the right of the States. But now, sir, she has gradually grown to where she finds it agreeable to accept the surrender by this Government of the privilege of the States and their sovereign rights without seeking from them their consent and to pursue the course of appropriating both the water and the territory of the United States from the different sovereign States of the Union without seeking either their consent or approval or consulting them in conference.

I yield at this moment to the Senator from Louisiana.

Mr. LONG. I did not know the Senator was going to explain the matter so clearly. I was just wondering what the difference would be between giving this water power and this waterway, this part of Illinois and part of other States, to another country, and giving them a part of the territory of the State itself—some of the land. I am just wondering, if this thing can go through, why they could not be given a piece of Louisiana or a piece of Illinois, and let us ratify it here in the Senate.

Mr. LEWIS. The pertinent query of the Senator awakens that interest which would arise from any Senator: If a part, why not the whole? And I may here pay tribute to an excellent treatise upon this very question of international law, where may be found a chapter addressing itself to the query of the Senator from Louisiana. The treatise I allude to is by Prof. Quincy Wright, an eminent author and commentator on international law, now a professor and director of that particular branch of learning in the University of Chicago.

Mr. LOGAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Kentucky?

Mr. LEWIS. I yield to my able friend from Kentucky.

Mr. LOGAN. I always grow a little suspicious of an answer when, instead of a distinguished lawyer such as the Senator from Illinois answering himself, he quotes from some other authority without approval.

Does the Senator from Illinois undertake to state to this body that there is no distinction between the rights in water and in land under the laws of all nations and all States, so far as I know?

Mr. LEWIS. I answer my able friend by saying that subject has not been touched by me. I will, however, assume it and answer this:

The rights to land, if ceded within a State or from a State, in my opinion cannot be had without that State assenting. The right to water is not to the water as a title, but to the mere use of the water for the purpose either of navigation or sometimes for sanitation. The difference arises in this, that one may grant the privilege of the uses without granting the right of title to water, and thus by that arrangement may carry with it the privilege of enjoying it.

That is my answer.

Mr. LOGAN. That is a correct answer.

Mr. LEWIS. Then, having the approval of my eminent friend, lately distinguished chief justice of the Kentucky Supreme Court, I find a great consolation in his reply.

Mr. LONG. Does that mean that we get his vote, too? [Laughter.]

Mr. LEWIS. I am not so much interested in votes by voice as I am in conviction of the mind.

I must proceed. I have asked the able Senators to defer interruption of me, not because I would not be glad to yield but because there are many Senators whom we have pledged the time today in which they may address themselves to the Senate; and I do not feel that it is exactly fair to consume

that time by the amount that I should have to take in responding to many interrogatories that would be addressed.

Now, sir, having projected the proposition, as I insist I have, I assert that there is no legal treaty before this body for ratification. I come then to what is the situation and what is that which is offered. It is the gift by the United States to Britain of the privileges granted under this treaty.

My eminent friend the Senator from Nebraska [Mr. NORRIS], together with the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senators from both the Dakotas, have called attention to what they feel is a justification for this treaty in what they term "cheap transportation by water."

Cheap transportation? Pardon me; let me ask a question. Cheap to whom? It is intimated that it will be 10 years before this project, if it could be entered upon at once, could be completed. Add to that 10 years the time we know always follows in point of general change of events, and we must reflect that hardly will anyone serving here today survive to enjoy the privilege of using the canal, and if there should be anyone—where are those who assume that in a new era, 10 and 20 years from now, considering the events which have so changed the world in the last 10 years—in our own country, and the events of the world business conditions will be the same as now?

Upon what basis is it assumed that transportation at that time will have a capacity to meet the demands of the generation then living?

Transportation! What is meant by these honorable gentlemen? I call the attention of my able friend from Michigan [Mr. VANDENBERG], who referred to the matter in previous discussions, to the fact that in my previous speech I charged that there will be such regulations along the St. Lawrence, either a municipal regulation fixed by Montreal or a regulation by Canada as a dominion, that will so enhance the costs to any American ship going through the waters and docking at the ports as will make it impossible for an American ship to pass through the waters with American cargoes in such manner as to compete with a British ship in British waters on the way to Liverpool to dispose of a cargo to the profit of the American shipper or the shipment.

My friend from Michigan, and his colleagues speaking with him for the treaty, said I must be wholly in error, that it was not conceivable that such would be or could be done by Canada.

I now answer that it is not for Canada to say. I here assert that out of that prudence that was ever the motivating action of Britain she has provided that when it comes to navigable waters, conscious that it may be used at any time as an agency of self-defense, it shall not be in the privilege of any local government to make contracts or arrangements concerning such that may take from Britain the sole privilege of adjusting it according to the lines of future conflict or commerce that she may find necessary.

I shall read an extract taken from the political science proceedings at Philadelphia, from a speech by the president of the Melbourne University, of Australia, when, speaking of this situation, he produced a copy of the constitution of the Dominion of Canada. I read the quotation:

The river and harbor questions of the Dominion of Canada are referable to the Imperial Traffic Board of London.

Surely Senators must see what that means. It means that Britain, with a fine sense of self-preservation and due regard of her interest as it may arise in the future, has denied to the local governments the privileges of the control of water which has a connecting relation to the sea, and might at any time be used for defense or for military preparation or for commercial preservation. Therefore, sir, these different burdens upon the transportation passing from America through American territory into Canadian waters, from the Canadian waters to the sea, and from the sea to the ports of Britain, would be controlled by London, and be controlled by London by her traffic board, which is a part, as every Senator here knows, of what England calls her board of trade.

Therefore will it be conceived for a moment that Canada, out of due regard for herself and Britain in the preservation

of her natural interests, is going to allow America to come into her waters with an American ship and take such course of privilege as will send it to Liverpool with an advantage over a Canadian ship, the competitor, carrying Canadian wheat from the northwest competing with the wheat from the United States from our Northwest?

Where is the study on the part of these honorable gentlemen who have confided so much and reposed such confidence in the theme that in the hereafter, somewhere, after the generation of the present has passed away, in some new performance upon the theater of life, they will obtain benefits from a competing land that will give to America a superior advantage, when there is vested in the rival the constitutional right, within the treaty, to defeat us at any point and anywhere that suits advantage to do so?

Senators will again gather what was the meaning of these gentlemen, the mayors of the cities, who visited the President of the United States but a short while ago, looking to giving their approval to this canal, leading into the St. Lawrence, and therefore to the waterway. These eminent mayors of the cities were merely conceiving the hope, as they had read from the papers and public prints, that some advantage could come somewhere at sometime. With little knowledge of the facts, they were seeking what? They were presenting, in behalf of their cities, an opportunity for a British ship to come from Britain territory and the Dominion of Canada waters into the United States, to the ports of Chicago, Detroit, Milwaukee, all, anywhere, and unload the merchandise they would bring from the foreign land at the doors of the American interests, and overcome the factories and the merchandise of America by their competition in such manner as to completely bankrupt the hopes and the prospects of American mills and American industry.

Again, sir, these eminent gentlemen, the mayors of the cities, seemed to be unconscious of the fact that they were likewise asking to have that done which would make impossible the building of American ships. There would be the lack of reward or compensation to construct them—their whole business being taken by the foreign ships which, carrying cargo to Europe, would bring foreign goods to the very doors of our great cities, and, unloading them, undo the prospect of an American merchant marine. Even more than that, it would make unnecessary the building of an American waterway in American territory, for that Canadian waterway would supply the necessity by converting the waterway to Canadian uses and surrendering it to Britain, the opponent of America. That is the fate these mayors of cities would have brought to America in their commendation of the project, as it was given us by the press report. It was these city mayors who were quoted by Senators from the western grain States as being the voice of the interests of these States. I make mention of it that we may see what little opportunity these eminent leaders of civic development—the mayors—have had to examine this subject, and how little information they have on such a vital question, which, had they had it, would have converted every mind in an opposite direction from that which it seems to have taken.

Let us say that there is such a thing as these eminent Senators contend, a prospect of cheap water transportation to be born of the project, I, sir, in presenting my opposition to this treaty, would have it known that I present the opposition on the basis that I concede every premise which every Senator advocating the treaty presents as reason and profit. I adopt every theory he suggests as a premise, and, adopting it for this argument, I assume and present the disadvantages to his country, the loss to his countrymen, the destruction of the sovereignty of his own Nation, which he would reap as a result of that which demands.

Where is this extra cost or expense for transportation which he says will be saved? I will concede that the railroads may charge more than may be charged today by certain ships upon certain waters. I am not acquainted, in completeness, with the relative charges either makes, but if the grain is to come from the far Northwest, it must be brought, as I have asserted, by the railroads down to the point where it touches the water. The railroad must then

be paid for that particular haul, or there must be paid the cost of railroad motor transportation. There is no way to overcome that. Then, when it gets to the water of the canal, it must be transferred to some small vessel and be taken to the larger area, where it is to be transferred again to a larger vessel, the larger vessel moving out, let us assume, to the Atlantic. The amount of cost to the owner of that grain for movement has already consumed all of his profits, all that he would hope for.

Now, Mr. President, one other word upon this question of transportation rates. I wonder whether my eminent colleagues have paused to consider that we, the United States, have loaned to the railroads what within a very short while will approximate \$4,000,000,000. Will my brother Senators not realize that none of us living by the grace of God and the saving statute of divine limitation can ever hope to see that debt paid? Is it not plain to view that in the meantime that which came to us in the news yesterday, Mr. President, from the Coordinator of Transportation, Mr. Eastman—that it is to be essential for this Government to take possession of the railroads? That this is inevitable?

Is it not plain, sirs, that we take the possession in two ways? In the temporary hour we take the possession of the control of the railroads by either direct or indirect action, in order that we might preserve the security from which we hope some payment of the loan, or later it may be, as seems to be on the road of eventualities, that we become the possessor and owner by foreclosing the debt.

Is it not plain to Senators that between now and then all the shipments on the railroads of the grain of the West will be at the price the farmer himself directs? The railroads will not seek profit from the farmer. The Government controlling the roads will seek just enough to pay the expense, for they are anxious to keep their roads going. If profit at all there be, it will be exceedingly insignificant. And since the public now owns the roads, it is the votes of that farmer and his fellow shipper that will direct the amount of rates. It is his voice that will direct the rates.

If the farmer then will pause he will realize, and if the honorable Senators who represent him will consider they will realize, that there never was a time in all the history of the Republic, nor of the Government, where the farmer has written his own rates in the way he will now, as the result of which he will have the cheapest rates that could possibly be given him, because the railroads, owing the Government so much money, will have been taken possession of by the Government, as they must be, the Government must arrange the rates to take that farmer's product at the very cheapest form and phase to whatever market he can reach, national or international; and he, being in control by votes, will be able to name himself the rates on the railroads, because they are then the property of the people—the Government.

Shall we hope to collect this debt by any other form? The railroads cannot pay it. We will be in possession of the railroads, as was on yesterday announced by the Public Coordinator of Transportation that we shall take possession of them. Therefore, far from benefiting the farmer in this presumed canal, the farmer will have done—what? First, he will have paid \$500,000,000 up to a billion dollars which must be paid as the expense. When he has paid this, by taxes, and then whatever rate may be given him, he stands—how? He is out of pocket an overwhelming sum of money levied upon his land and his property as the taxation necessary to maintain the expense of the waterway construction.

Then to find, if in the meantime we begin funding—if the treaty shall be passed—the money necessary to carry on this undertaking, he not only pays the \$500,000,000 as the lowest estimate, running up to \$1,000,000,000, but in the meantime he confronts an indebtedness in the Treasury of his own country, as said by able Senators from the floor of the Senate, of from thirty billion to forty billion dollars. With the Treasury in that condition, with the heavy taxation yet to be levied upon our people to meet the needs of the Treasury and the conditions of the country, we add to that this extra burden to be put upon all the taxpayers of

the land in behalf of this undertaking, a burden that none of the present generation, I sadly assert, will ever live to see lifted.

Mr. President, note that under this treaty not one dollar—I speak literally, eminent Senators; not figuratively—not one dollar is provided to be paid the United States by Canada. The vast millions and hundreds of millions we are to give Canada is the one thing, but not 100 cents of Canada's is to be given to the United States. Therefore, when we contemplate this expense to be put on the taxpayer, and see the burdens that are to be levied upon the shipper, and add to that the heavy extra burden of taxes to meet the deficits which we now understand are imminent, is it any wonder we have from the Saturday Evening Post, that very conservative and safe journal, the following editorial that this morning I am able to present, headed:

DUBIOUS ECONOMICS

This is from an editorial in the Post, published in Philadelphia:

DUBIOUS ECONOMICS

No one denies that in the course of time some such development as the St. Lawrence seaway and power project may become desirable. But whatever merit it may have in the distant future, there is the utmost haziness regarding any present necessity for undertaking an expenditure the exact total of which is in dispute, but which is certain to prove impressively large, for a purpose that is so indefinite.

Unfortunately this project has been urged and opposed with equal vehemence by those whose interests are local and sectional. The ability of politicians to keep on making promises, which they cannot possibly deliver, to wheat farmers, the ambition of certain lake ports to welcome ocean-going steamers, and the fear of certain Atlantic ports that they might lose freight—all these considerations seem less important to us than sound principles of planning and expenditures.

To a large extent the St. Lawrence project has been sold on the theory that it would mean a great saving to the wheat farmer. It is by no means certain that such a large proportion of the wheat would be shipped this way, and there are authorities who hold that the saving on the portion so shipped would be exceedingly small indeed. But aside from this, the whole effort of the present administration is to reduce the production of wheat and other staples to the limits of domestic use. But even beyond the effect of depression and the resulting reduction in acreage program, the whole long-term tendency in this country is toward a reduction in wheat exports. We fail to see the point of making a huge expenditure to effect a questionable saving on a type of commerce which is dwindling away.

Of course, there is much other tonnage whose movement might conceivably be affected by such a development.

But when the origin, destination, and seasonal character of every commodity are analyzed it is a very complicated question how substantial a portion of the total commerce within the possible sphere of influence will actually be affected and with what results in economies realized.

Since the St. Lawrence project was first suggested there has been a steady increase in efficiency and decline in cost of steam-generated power. How the huge new block of power could be absorbed at all except by local St. Lawrence Valley metallurgical and other industrial developments on an extremely extensive scale has not been explained. All this may come in time, but it will take time. No reason for a forced and artificially costly project of the sort has been shown.

It may engage the imagination to look at a map of North America and indulge in large, rosy visions of vague and uncertain improvements. But it might be well to remember also that all pocketbooks have a limit and that this country is going to have plenty of trouble to pay its pressing, its absolutely necessary bills for a great many years to come.

Mr. President, I have read this in order that Senators may have the views of a very conservative journal for a safe course.

Mr. President, I behold my friend the Senator from Michigan [Mr. VANDENBERG], to whom I alluded, has returned to his chair. He has been quite the leading voice on one feature of the advocacy of the treaty, and that in such power of presentation as fright us who are the opponents of his reasoning.

I now come to the point of bringing to the attention of the Senate the question of power, having pointed out how, as I see it, that all the hope of transportation is but a dream, and if it shall be fulfilled in the years hereafter, in coming days, it is offset in such a way as to leave bankrupt every emotion that it could present in the hope of the realization.

It is said by my learned friend from Nebraska, Senator NORRIS, that there is to this waterway a great prospect of

power. Yes; there is such a question. We will take that up now, and in a few words we will link it to the question of transportation. Under the provision of the treaty concerning power the United States is supposed to get one quota and that of Canada four times the amount. The United States is to pay for it four times more than Canada, and when we have paid for it, it is provided in the treaty that Canada shall do the work with Canadian workmen, by Canadian engineers. All of that shall be done, and it is specifically to be done by Canadian engineers and Canadian workmen—then all owned by Canada completely.

Mr. President, what do we think was the object of writing such words in a treaty as work to be done only by Canadian workmen? What do the Senators think was the purpose of placing those phrases in the treaty? I answer it was to give Canada the right to denounce an attempt on the part of American workmen who might cross over from Detroit by the way of Windsor, from New York by the way of the north end of the State, or from the western country into British Columbia, by raising the point that Canada had the right to eject them, remove them, decline them, resist them, because under the treaty it provided that none but Canadians should have the right to enjoy the American money.

Without that provision in the treaty the United States could have insisted that her people would have had as much right to pass into Canada and enjoy the right of labor as the Canadian now enjoys, upon the permission by which he crosses every morning into the State of Michigan and the neighboring State of New York and enjoys the right of earning American money in different forms of American undertaking.

I admire the very shrewd adjustment by Canada, I express my approbation of its ingeniousness, I approve of the capacity of intellect that can so befuddle the mind of an American who would yield himself to such a surrender as has been cajoled into this treaty.

We are at loss to understand how an American, representing this country, which country is to pay hundreds and hundreds of millions of dollars to Canada, could have deliberately allowed himself to be written down as being unworthy of enjoying a dollar of the money of his own people, and write out a contract in a sovereign treaty that prohibited an American from crossing the line of the other country, and by toil enjoying the benefits of the very money his people were paying to this land across the border and over the rivulet.

Mr. President, I then come to the question after we pay this vast sum of money, and started this power undertaking to ask, do you realize what it means? I answer for you. The power may be projected, but the lines of transmission and the construction that will communicate the power to the States along New England and the border of America are owned by private companies. They will have a right to contract with Canada for the power. The transmission lines and all the construction being built, already, sir, by private owners, they it is who will have the right to dispense it; but since the power is owned by Canada, I beseech you, sir, to turn to my eminent comrades of the Senate who cry forth for Government ownership of power. Where is that American Government ownership of power when Canada is the Government that owns it by our consent, paid for with our money? Such is the position of our honorable friends who have been the advocates of Government ownership. In this particular project they would turn this great undertaking into the hands of a government, friendly it may be, but which has no interest in turning over to us the control of their property for our uses and for our dispensation for our profit.

But, Mr. President, let us say the treaty, as proposed, is in existence—and, Senators from New England, the able Senator from Maine [Mr. HALE] and the able Senator from New Hampshire [Mr. KEYES], I beseech you that you heed me, note in all attention—let us assume that a power construction in Canada will be created and that the New England States, as is presented, would get some benefit by it, however high the price they pay to the private companies

who own the transmission, and however just a price, will it be assumed when this treaty is made that Canada will equally divide the power and its privilege merely because it is stated in the treaty?

I invite Senators from New England to remember what happened to their section under the treaty of 1871, when there was provided in the exact clause that is now injected into this treaty the right of our people to enjoy the waters by our ships in shipments. In that treaty there were also certain other privileges. I invite you that from 1871 to 1887 Canada found it agreeable, under the order from London I have just read, because of the power of Britain to control Canadian waters under the constitution of Canada, to decline to allow American ships to enjoy those waters unless the American ships were carrying the products of Canada.

It was then, sir, under that treaty, when this wrong to States of New England became so manifest, that the eminent statesmen who represented those States made complaint of the wrong being done in the construction and operation of the treaty and the methods of the Governments of Great Britain and Canada in violating it by refusing to give the American ships the same privileges for American goods, by insisting on the qualification that though American ships had a right by treaty to come into that land and into those waters upon equal privileges this could only be enjoyed provided they were carrying Canadian goods. Of course, under this provision we would never have American goods compete with those of Britain.

I invite the attention of my eminent friends, the distinguished Senators from New England, who must have heard something of this matter, and, being learned men, probably will recall the incident that then it was that Mr. Cleveland, as President of the United States, on August 23, 1888, sent a message to this body in which he advised retaliatory legislation against the governments that had produced this wrong and committed this unfair adjustment and this proposed division based only upon the proviso of American ships carrying Canadian produce. There in that message it is that President Cleveland says:

To promise equality and then in practice make it conditional upon our vessels doing "Canadian business" instead of their own, is to fulfill a promise with but a shadow of performance.

I acknowledge this treaty copy and message of President Cleveland as coming to me from that eminent New York statesman—officer of government—Hon. Lewis Nixon, of New York.

Will my able friends from New England not realize that there will be the exact repetition under this treaty with the exact clause? What manner under this treaty, I beseech you, have you of enforcing this treaty. You cannot proceed against Canada for the treaty is made by Great Britain; you cannot proceed against Great Britain, because Great Britain will announce, "While I am a party to the treaty the provisions of it, gentlemen of the United States, are your own making." Mr. President, I am calling attention to these provisions that you may realize, sir, that this promise on which the honorable advocates for the treaty dwell and rely, has for performance, to use the words of President Cleveland, "a mere shadow upon which to rest."

Mr. President, I then call attention that, under this peculiar treaty, there is no provision of penalty. My distinguished friend from North Dakota [Mr. FRAZIER] than whom there is no more diligent or abler representative of the farmers in any legislative body advocated this treaty as a boon to the Dakota farmers, I beseech him and you all to see for the first time of legislative experience a treaty proposed that does not contain one single phrase of forfeiture.

In this treaty only can be found the absence of any statement authorizing the forfeiture or the ending of the clauses in the event of their disobedience or evading. How skillful were these eminent advocates of the British Empire! How splendidly guardful they were of their interests as against American welfare! Mr. President, if the plain and profane prayers of a Senator of the United States could be heard in the great celestial portals of the Divine, I would register mine that American representatives at some time could dis-

close the same form of patriotism and devotion to the interests of their country that the eminent representatives of Great Britain always display to theirs.

Now, Mr. President, if it be—the eminent Senator from Nebraska [Mr. NORRIS] and the Senator from Wisconsin [Mr. LA FOLLETTE] are interested in the question of power—on this phase they base their insistence upon the treaty, may I not say to those able Senators and also to my eminent friend the Senator from Michigan [Mr. VANDENBERG], whose treatises upon this treaty generally will not be excelled by any speech, however complete, which may be delivered by any Senator, I recall to all Senators intrigued by the word “power” that I asserted when the Senator from Michigan and I were exchanging views upon this question in previous debates that if this were a power question and one wherein our distinguished President’s interest lay, then, sir, I asserted that it was not necessary there be a treaty as a treaty, but in preserving what he feels his locality should enjoy in the distribution of power from the water which is the mutual water of their geography. All could be assured by a contract agreement.

I assert now that if this power privilege were the only interest, that could be arranged by an ordinary agreement between Ontario and New York. But, sir, here I invite you to attend that while my able friend from Michigan, the able Senator from Wisconsin, and others have asserted that a treaty was necessary, and that it had to be brought about by a treaty, I respond and rejoin that the reason of the sovereign treaty was for other reasons and not the question of power. Why? Because there was something more serious, more sovereign of which Britain had to be assured in the protection of an ultimate interest she saw likely to arise by which in this profound document she creates a responsibility of my country that sacrifices her sovereignty to the uses and benefits that will come to the British Empire of the things she dreams upon.

Now, sir, to demonstrate that I am justified that these measures of power could have been brought about if it were mere power as issue by a mere agreement, I call your attention, sir, that this is what Canada did herself, and this is what Britain did herself when Britain reversed the situation, sir, and gave to the United States a portion of the land in the Niagara River and conceded it to the United States for the purpose of commerce and the construction of a lighthouse. In that instance did Britain demand a treaty, sir, when she was obtaining a benefit from us?

Not at all. She promptly proceeded by a protocol of 1850 and thus by that ordinary contract she ceded the Niagara River and the island locations to the United States, and made a condition that the United States when in possession should build a lighthouse in the form as described. It was recognized by this Government that such conduct should only call for a mere ordinary agreement, and Congress proceeded to make an appropriation carrying out the agreement between Canada and Ontario, and the United States and New York. Therefore, by this precedent of Canada and Great Britain herself, it is sufficient to see that if it was only an arrangement of power, an ordinary agreement between the parties, long adhered to as a custom, could have been but duplicated.

The present President of the United States well understood that to be the custom and saw that to be the custom, for he wrote a letter while Governor of the State of New York to the then distinguished President of the United States touching this advance treaty. He wrote a letter to the then President of the United States, Herbert Hoover, in which he said, on July 11, 1931:

MY DEAR MR. PRESIDENT: While I have no official advices, I hear that you have assumed to appoint the American plenipotentiaries, etc., to negotiate with Canada a St. Lawrence Waterway Treaty.

I beseech you to note that the now President of the United States said “I note you are about to negotiate a treaty.” The then Governor of New York called attention to the suggestion of the waterways and the potentiality of power. Then he said in this letter, though he had previously called attention of the then President, that he knew

he was on the eve of negotiating a treaty, and does he ask to have in the treaty a provision respecting this power? Does he ask to have such written into this sovereign document as if it were a consideration of great eternity in the sublime creation of God? No; the then Governor, conscious of what had transpired between New York and Canada often, and between Canada and this neighboring country frequently, said:

I am certain that there are no problems relating to the development of this great project in the interest of commerce and domestic welfare which cannot easily be solved by the mutual cooperation of the Governments of the United States and of the State of New York working in conjunction with our Canadian neighbors.

Does our distinguished official see a new treaty to be provided? Does he intimate it need go in a treaty? With the Empire of Great Britain? Not a word to that effect. To the contrary he concludes by calling attention that there are no problems on this question that cannot be settled by mere mutual cooperation and adjustment—between whom? The Empire of Great Britain? Not at all. Between the Governments of the United States and the State of New York and the Canadian neighbor, not the British Empire.

When, sir, has it become necessary that a sovereign treaty, with all the implications of a grave and serious document, fraught with undescribed possibilities and possible imagined dangers, should be necessary merely to divide the respective power running along a transmission line, so many kilowatts to one and so many kilowatts to another?

Therefore, I repeat, had there been only power it could have been done by arrangement; but there were beneath all of this maneuver for treaty obligation some serious, undisclosed design harbored in the brain and in the heart and in the hope of our honorable rivals; it was for something other than electric power that our rivals could enjoy, as I have heretofore pointed out.

Am I not right in this conclusion, I ask our able friend from North Dakota [Mr. NYE]? I ask him to recall that in a speech he delivered, unconscious of its effect as he was, he quoted from what I have cited that this whole adjustment could be done by an arrangement, and while he quoted in his very able speech he in some manner surrendered all contention of necessity of treaty as the needed method of compact for power or transportation.

I now come to ask the question, Why all the peculiar superimposed gravity of this treaty, and why is it written in such terms that it cannot be corrected, as if there were some necessity that exacted it? We remember that text in Hamlet, do we not, when the eminent one said to Horatio:

There are more things in heaven and earth, Horatio,
Than are dreamt of in your philosophy.

I therefore bring the discussion of the eminent Senator of Canada, Senator Casgrain. As the eminent Senator from Michigan [Mr. VANDENBERG] correctly stated the other day, he had heretofore opposed the treaty in the Canadian Senate. He is now, at this later date, making a speech to the Kiwanis Club at Montreal, and proceeds to urge ratification of the treaty, and proceeds to give his reasons why now he is supporting a treaty which heretofore he denounced while on the floor as a Canadian Senator. He was addressing himself, mark you, sir, to that which we were discussing in the American Senate at the same time, the ratification of the treaty. Keep in mind, Senators, that Canada has never ratified this treaty. With that shrewdness that ever accompanies a movement of the masters of the British Empire, Canada does not approve the treaty. She postpones its consideration. She is conscious of the possibility of this body refusing to ratify, and she is prepared, by her situation, to submit, of course, a substitute treaty, as was done seven times in the Hay-Pauncefote discussion in this body. So Canada does not approve the treaty. If she had, and we then disapproved it by withholding our approval, it would be the end; by withholding her approval she leaves it open for her, when we had defeated it because of its injustice to us, that she may, by eliminating one or two phrases which were

made the basis of our repudiation, submit it again as another treaty.

Mr. LONG. Mr. President—

The PRESIDING OFFICER (Mr. DAVIS in the chair). Does the Senator from Illinois yield to the Senator from Louisiana?

Mr. LEWIS. I yield.

Mr. LONG. I hope the Senator from Illinois will not suggest the possibility or feasibility, that through a defeat of this treaty the emissaries of Great Britain and Canada will come back to negotiate another treaty with us, because if they do they will probably get the better of Chicago. Every time they come back they get more.

I invite the attention of the Senator from Illinois to the fact that when they came here to negotiate this treaty we were given no consideration—and my friend, the junior Senator from Illinois [Mr. DRETERICH], will bear me out. They were not expected to get anything like as much as they got as the result of the negotiations; but when they went back home, as the Senator from Missouri [Mr. CLARK] read the other day, they were heralded through the Canadian and British press as having received many times more than they were sent to get, and it was said that they had "brought home the bacon." I hope the senior Senator from Illinois will not suggest the possibility of them ever coming back again, because there is no telling what they might get on another occasion.

Mr. LEWIS. Mr. President, I am anxious to yield to my eminent colleagues on both sides of the Chamber, but I am in honor bound, in faith to my friends who are for the treaty, not to consume all the time of the allotted day and since I must yield to others if I yield to one, though I would welcome interruptions gladly otherwise and would give them the proper attention they deserve, yet I fear it would consume so much time that I would be most unfair in my arrangement that I myself proposed to our honorable opponents in discussion of the pending treaty.

I now read, and ask the attention of the Senator from Louisiana. I reply to him that it is not at all unlikely that Canada or the British Empire will produce and present some other treaty; but I wish to say that in my opinion there is very little hope that, under the present administration, a treaty containing such provisions as sacrifice the sovereignty of this our Republic of America as was agreed upon by previous administration will ever be adopted by a successive one.

But, I now return and make connection of this speech of the eminent Senator delivering this address at Canada; and I hope the Senator from Louisiana will find it agreeable to listen attentively. I have some information for him.

Mr. LONG. I will.

Mr. LEWIS. Senator Casgrain, who has made his address in the Canadian Senate opposing this treaty, is delivering this address I refer to at noontime in Canada. While we are debating this treaty here in the Senate, he delivers this address, in which he says:

The St. Lawrence seaway project is not only an economic absurdity, but also cloaks, under the terms of the treaty now awaiting ratification by Canadian and United States governing bodies, suspected hidden motives on the part of Uncle Sam, which may have as the end in view, ultimate exercise of American jurisdiction over the Canadian territory through which the planned waterway would run.

Then, continuing, the Senator from Canada added:

I have always been opposed to this international waterway, but now I must confess I am somewhat in a quandary, for, after reading the almost incredible terms of the treaty, I ask myself: Would I be justified in continuing my opposition to it, seeing that under this treaty, Uncle Sam actually obligates himself—

Obligates himself—

to the spending of hundreds of millions of his good dollars on works in Canadian territory, in which Canadian labor and Canadian materials are to be solely employed.

Mr. LONG. Mr. President, may we have the attention of the Senator from Michigan? I am going to ask my colleague to reread that statement to the Senator from Michigan [Mr. VANDENBERG].

Mr. VANDENBERG. Mr. President, it will be entirely unnecessary. I have heard it; and if, between the two Senators on the other side, the entire afternoon is used up, I shall not even be able to answer.

Mr. LEWIS. I have sought, myself, to prevent that consumption.

Mr. VANDENBERG. The Senator is correct; he has; but he has had no cooperation.

Mr. LEWIS. I may say to the Senator from Louisiana that a few days ago I called the attention of the able Senator from Michigan to the fact that there was something of this kind that I intended to present to the Senate; and, knowing his assiduity, his diligence, and his industry on this great question, he no doubt sought the information and acquainted himself with the contents.

I, however, desire to read one further feature.

Says this Canadian Senator:

I do not know, but I say frankly I cannot understand why he (Uncle Sam) is so ready to shovel dollars by the hundreds of millions into Canada, as is now proposed, if he is not planning to hold possession in some way of the works those dollars will represent.

And then, after speaking of the vast sum we are giving away to Canada, and of the reasons for changing his opinion, he says the St. Lawrence River seaway is a much greater proposition than the Panama Canal.

Ask any shipowner—

He says—

if it would be worth while for sea-going vessels to ply inland. They have far less accommodation and far greater weight than lake vessels, and, as competent shipping authorities estimated that it would take 52 days for a ship to come over from any European port, steam up the waterway and through inland waters to Chicago, or Duluth, and to go back to the European port again, it is easy to see that it could never pay. * * * The idea might go over all right with a public body or with a government, but it never could with any sane people.

This, sir, is the expression of the Senator from Canada.

My able friend, the Senator from Michigan, whose leadership in behalf of this treaty has in many respects led the discussion, called attention the other day to the fact that the Premier of Canada, Premier Bennett, had remarked upon the disadvantages of this treaty as a reason why he was not quite sure whether he was quite for it. I beg to call attention to what the eminent Premier of Canada really did say. I depart to say "eminent", as Premier Bennett is the peer and superior to his predecessors in all statesmanship. I read a part of his speech.

First he calls attention, sir, to the fact that we are to pay all these funds for the International Rapids section, that the joint board of our Army engineers pledges \$215,492,000, and, then, sir, that the treaty provides further—and, hark you, sir, listen to this, the gleeful speech of the conquering Canadian Premier, through his astute representative, Minister Herridge:

Insofar as is possible in respect to the works to be constructed by the Commission, the parts thereof within Canadian territory, or an equivalent portion of the total of the works, shall be executed by Canadian engineers and Canadian labor and with Canadian material.

And then, sir, may I read to you what the eminent Premier Bennett has further to say upon the subject. I quote his speech:

On July 18, 1932, this eminent representative speaks of the subject, and says:

The United States will meet the entire cost of these river works. But in respect to the river works lying on the Canadian side of the boundary Canadian engineers, Canadian workmen, and Canadian materials alone will be employed.

Upon completion—

Says he—

all river works on the Canadian side of the international boundary will be owned, maintained, and controlled by Canada.

First, sir, behold, he calls attention to the fact that we pay for everything, and then everything is to be owned by Canada. Then, continues the eminent Premier:

Compatible with the paramount obligation to safeguard our (Canada's) sovereign rights, the treaty insures a minimum of

financial outlay by Canada. The estimated net cost to the Dominion arising out of new capital expenditure will be less than \$40,000,000.

How we could cry out, "Oh, that we had had American diplomats in that contest—who remembered, as the Canadian statesmen remembered, the 'paramount obligation to safeguard our sovereign rights.'"

Get that, sir: All of Canada, \$40,000,000. We pay \$215,500,000 in one item, and it is estimated, sir, from three hundred and fifty to five hundred million in another; and all that Canada is to pay, according to her eminent premier, altogether, if she pays any cent anywhere at any time for her own interest and profit of hundreds of millions will be \$40,000,000, to which she is in no wise obligated under the treaty, as her payment is altogether contingent and dependent upon the State of New York paying a certain sum, if she will ever agree to do so. And this compact of America's undoing is the treaty brought to you to be ratified in the name of America!

Mr. President, I must move rapidly on, because I am conscious of the fact that much time has been taken; but it was necessary that I might make clear the position which we take and the reasons for it, apart from all of the questions, I may say, in respect of the lesser matter of the hope of some reduced cost of transportation, the hope of some matter of power in the future that is yet unborn, of generations not yet come to life.

Mr. President, I refer you for a moment, sir, to the home where I live, and its interests. I beseech the Senators to indulge me while I say my eminent colleague [Mr. DIETERICH] has so thoroughly, fully, and wholly presented the whole interests of the drainage district, the waterway, and of Chicago, that it is not necessary for anyone to make further allusion; but I must explain why I have not alluded to the subject. Chicago is my home. The city and State has often honored me beyond all my deserts.

I was one of the counsel for the State and the drainage district before the Supreme Court of the United States in the litigation alluded to by the able Senator from New Hampshire [Mr. BROWN] and the Senator from Wisconsin [Mr. LA FOLLETTE]. Part of that opinion I regard as adverse to my contention and opposed to justice. It is contrary to my arguments and, like any other defeated lawyer, I do not take it easily; yet I would not leave the impression upon my honorable colleagues that I was still contesting for my own legal position, and warring against the treaty as something of resentment against a defeat in court, and that I am still arguing my lawsuit here in this body, and seeking to have it repair my wrong and heal my wound by defeating a treaty that reenacts the legal court opinion part of which was adverse to my contention.

It was for that reason that I would refuse to allude to the subject; and therefore at this time I only make this observation—I do not refer to the opinion other than this: It specifically provides that it only decides the question of the diversion under the circumstances presented. It refuses to pass upon the question of the amount of water necessary to go forward for the purpose of making the American waterway by way of the Mississippi. It calls attention to that question as one for Congress, and it does not assume to pass upon it.

But, sir, there is a phase about the matter that ought not to be overlooked. The city of Chicago is not petitioning this honorable body to give it some special advantage in allowing it an extra volume of water for the drainage of its own lawful uses. It presents to this body that which it presented to history. If its waters should be so contaminated that typhoid fever will result, as has been shown in the past, it is not only in the great city of approaching 5,000,000 people where lives are desolated, babies strangled in their birth, and mankind strewn throughout the sidewalks in a plague; but passenger trains passing through that part of the continent from coast to coast—motors of travel and private touring cars passing through and over—become infected, necessarily, and become carriers of the typhoid. Through the very water they drink, the very life they lead, the food they feed upon, from coast to coast

of our country, our citizens become subject to the transmission of this dire malady.

It cannot be said to be, as eminent Senators have alluded to it, "purely local", any more than cholera at the Pacific coast, or yellow fever in the home of our friend from Louisiana [Senator LONG], or on the Atlantic coast, could be said to be wholly local, when transmitted, as we know, by every method understood by science. It is to avoid this result, and to secure the protection of the whole land and the whole people, that our people are asking consideration in behalf of this water temporarily, while the other greater matters are under consideration, and we hope construction. I make that allusion at this time so that it may be seen that it is not upon that that we rest.

I now ask my fellow Senators from the agricultural States to hear me. If the construction of the treaty by the able Senators from the wheat States be the correct one, it would provide an outlet for three States described by my able friend from Nebraska, but for all of these States bordering the Lakes, the intermediate States, those producing corn and wheat and rye, the States manufacturing production—where would they be? So very far away that they would have no recourse at all. These particular States would have as their outlet the American waterway, which we insist must be built from the Great Lakes to the sea, but which this enterprise of Canada now proposed would completely choke to its end and slay to its eternal death.

I then call attention to the other fact. I come to that which was hidden beneath all this discussion. The American route sends all of these benefits sought under the Canadian treaty to all our people, and all through the continent of America. We do not touch any foreign country or awaken to ourselves the danger of a conflict arising, first, from disputed construction and then, sir, from conflict leading to enmity.

Nothing is so dangerous to this land as a conflict over a boundary or concerning a boundary or between those who live on the boundary. What do we mean by this daring we approach? We see nations go to war, sacrifice their children in millions, their treasure in billions, over the mere matter of a line that divides one nation from the other, and we are on the eve again of projecting a dispute between our Nation and the British Empire over a boundary when we build a waterway in Canada and Canada is allowed to take sovereignty over our property in the United States. Have we forgotten? Is our memory so short? Do we not recall how near to war we were over the boundary of Maine? That is not without the memory of the eminent Senators from New England. I say to those from the far West, can they forget how near to conflict we were over the mere boundary line of Oregon? Are we going to permit this situation now before us to drive us into the torturing uncertainty of a conflict every time any question arises as to the construction and application or enforcement of this treaty?

I could show that with previous treaties we had a similar situation. But I may come nearer home. If Senators will pardon a personal reference, I participated, in an insignificant way, let us say, when there was the boundary dispute between Alaska and Great Britain, when I participated in an incidental place with the eminent men who were the commissioners; but we came very near to conflict, and with great difficulty composed that dispute in the commission at London, after danger was lighting the horizon. I invite the attention of Senators to these matters in order that they may realize how unnecessary it is for us to duplicate this course in a process of a treaty swelling with the portent of just such similar dangers.

Mr. President, as I bring this phase of the discussion to a conclusion, I ask, what is the reason why these eminent interests are seeking to possess the canal, and from the canal down to the Lakes, and to own the Lakes? I invite attention to the fact that the University of Toronto has, through its eminent dean of the law, been sending out communications to the different heads of governments and heads of people and heads of institutions of the United States, pointing out how Lake Michigan, while, it is true, an American lake now, is, nevertheless, connected with and is a part of a

general waterway which makes it as much the property of Canada as of the United States; and for that reason, as submitted by the Senator from Nebraska [Mr. NORRIS], that it draws its water from a watershed which may be connected, one way or another, by Lake Huron and Lake Erie and other lakes, out into the St. Lawrence and different districts of rain precipitation.

Therefore, by this interlocking connection in some form or other, either by the waters beneath or the waters above or the atmosphere surrounding it all, Canada should own the Lakes. I ask why not the Mississippi River; also, by that same bewildering logic, and why not the Atlantic Ocean?

Therefore, Mr. President, I will have the argument of the learned officer of the Canadian law institute printed—along the arguments on the reservation proposed as to Lake Michigan—as an American water, solely American.

Mr. President, there must be some reason for this great interest in Lake Michigan, as contended for by the advocates of British procedure. Therefore, I come to the final thing which has excited so much interest. The Senator from North Dakota and the Senator from Nebraska, and some Senators on my side of the Chamber, have gurgled gutturals of amusement in the intimation that I in a previous speech offered attacking this treaty, pointed out how the fact our honorable rivals when they own land in America, and own the streams by which we claim the ownership of the lake, in the event of trouble between our country and any other country would result in our being in the serious position of having the commercial ships of Britain, lying in American waters, quickly converted into war vessels which could stay the power of America as a neutral and prevent her shipment of her products to any one of the conflicting powers, or any one of the contesting combatants, whoever they might be. We could at once be blockaded from the full shipment of American commerce, providing Britain should happen to be an ally of one of those in conflict, or in sympathy with them.

Is this unusual? Does this strike my friends as being remarkable? Where is their history? Is that not what Britain absolutely did when we undertook to send out American vessels from New York during the World War? Did they not, our ships, have to be piloted and convoyed by British vessels and examined, and did it not bring this country very near to war with England before we had declared any war with Germany? It was because of that that we were in war with Germany, for when these ships were taken in this position, they were then treated as being English ships carrying supplies, and Germany regarded it as a violation of the laws of neutrality, and a direct violation of her rights. Germany's action toward our ships was because of the action Great Britain took—which she could take again within what she felt were her rights—particularly equipped to do so if she has the privilege on our soil—she has pledged for in this treaty.

Eminent Senators regarded that observation of mine as drawing on an imagined prospect—impossible of experience. They forgot that in the days before we entered the war a few of us, if I may include myself, stood on the floor of this body advising this body that we were drifting to war by doing just such things casually, without considering the seriousness of our undertaking.

I invite my opponents to consider what was the final result of this conduct which led us to war—a result that only regret and sympathy can condone. A short while ago, while we were debating here on this floor, my eminent compatriots found it amusing that I should have suggested that there was danger in our allowing an enemy, not of us, but of some other country that is at war with us, or with some other country with which they had connection, to embarrass us by having possession of our waters, with our consent. Since our fellow Senators did not note that they would have their ships within our waters, as within their rights; whereas as to these others who might approach American waters through American streams could be regarded as opponents, and we could withhold them from entering the United States from the Atlantic.

While we are discussing this question, the admirals of Britain met over in Britain, and we gather from a special bit of information that the British admirals on March 4, conferring with Australian and New Zealand naval authorities, have remapped their complete naval strategy. Of course, Mr. President, it will be remember that this was intimated now and then to be because of our new naval construction bill. I will not charge that against Britain. I will charge that her officers were merely looking to the preservation of their own.

The Reynolds' Weekly, a Sunday newspaper, speaks of the conference of the British admirals conferring with Australian and New Zealand naval authorities at the Singapore naval base. It asserts the British Admiralty expects a conflict between the United States and Japan, and asserts that Britain could not be a neutral in view of her alliance and commercial understandings with Japan. She will have to maintain a fleet in the Pacific to protect her interests. As the Panama Canal would be closed, Britain must establish a half-way house.

I ask, sirs, Where is the half-way house? Where is the half-way house if this treaty is ratified by America? I answer, It is Lake Michigan of the United States of America!

The Reynolds' Weekly further says that a British squadron could not be regarded as a menace; that it would only be in a position to rush either to Australia or to Hawaii, or whatever course would be necessary as their interests would dictate.

Ah, Mr. President, is it not Job, of the Holy Scriptures, who says?—

The thing which I greatly feared is come upon me.

Here, Mr. President, I beg to say that Sir Frederick Whyte, of the Foreign Service of Britain, in a speech in Boston, Mass., of late calls attention to the conflict which is inevitable between the United States and certain other lands. He draws a deduction and warns this country of giving up the Philippines, telling us we are bound to be in a conflict, and invites our attention to the position that Britain will have to take in the event of conflict between this country and one of her friends wherein she will be compelled to be a neutral.

Where are the eminent Senators, Mr. President; where are the scholarly gentlemen, with some precedent in the past to guide their minds, with some affection and love for their country, who do not realize what all this means? It may be said by some that these are fears which are not well founded. My honored colleague, Senator DIETERICH, called attention in a masterly address on this floor how our recent officers of the Government, the representatives of the War Department, in early and later day pointed out why they devised the scheme of interconnecting the waterways of the United States, and proclaimed that such would be necessary for the defense of the United States in the future surely in the event of conflict which they say would be inevitable. But here I ask attention for a moment to what is more inviting as complete proof of their far-sighted vision.

Senators will have before them in a few days, as I read in the press, a proposition from our distinguished President looking to some arrangement as to the reciprocity of treaties respecting the import of goods from foreign countries and the export of our goods to some of those countries. We are informed that the measure is to be brought before us, and we will be called upon for very deep consideration of it.

In the meantime, while we are debating the adoption of this treaty giving to Canada great privileges and the vast sums of billions of money of the United States, territory and sovereignty of America, and while we are doing so there is met in London the representatives who are called the conservative force. I must call the Senate's attention to what it is they proceed to do with more definiteness. They meet in London and prepare a bill which is directed against the United States, and possibly against Japan. This is sponsored by reactionary Tories, those who are not in close sympathy with us. It is significant, because it suggests the policy which the Government may adopt as a protective measure. It is a measure against the currency of the United States.

My eminent friend the able Senator, the Chairman of the Foreign Relations Committee [Mr. PITTMAN], on Saturday before we adjourned was compelled to expose a situation as to our currency in the form which was embarrassing to some of our officials in foreign lands. I invite attention to the proposition that is made, and I read from the editorial section of the New York Times of Sunday, January 21, 1934, under the heading "Tory Dumping Bill Is Aimed at United States", as follows:

It was indicated a month ago that Britain would use the tariff rather than her foreign-exchange machinery if action of any sort became necessary because of the devalued dollar. President Roosevelt's latest announcement concerning the dollar and the setting up of an American stabilization fund has not caused—

Then we will omit the statement as to what it has caused.

But it is quite evident the British fear some sort of economic tussle with the United States and are devising ways of meeting it. Hints to that effect have come this week both from Prime Minister MacDonald and from Minister of Agriculture Maj. Walter Elliott.

In the course of a speech at Seaham Harbour, to his constituency, Mr. MacDonald said: "External troubles may still arise."

Yes! And my eminent colleagues here find it difficult to understand when I point out the dangers of allowing them to give away that which they have a duty to hold, and how the very eminent representatives of the Admiralty of England point out the necessity of Britain having a middle ground, a halfway house, which, as I say, would be Lake Michigan, and when I state to your honorable body, quoting the line familiar to us all, when Horatio addresses Hamlet:

There are more things in heaven and earth, Horatio,
Than are dreamt of in your philosophy.

You see what I meant as the real reason for this imperial sovereign treaty, pledging the soil and sovereignty of America to a foreign foe, and that it was a mere pretense to make of power running along a transmission line, while it sputters its little spark of possibility in behalf of New England homes to be lighted and that this light process was the object of a great treaty between the King of Great Britain, Ireland, and so forth, and the United States of America.

Mr. President, the Senate has been very indulgent with me. I have presented reasons why we have opposed the treaty, upon ground other than a mere local consideration.

I have no purpose now of proceeding farther along the lines of merely extending further the premises and conclusions which I have presented here. I propound, as I conclude this discussion, the single inquiry: Where is the reason for this treaty now? Where is the justification for it in the present time? Where is the demand for it?

We are cutting off the volume of production of the American farmers. Reducing them one half. We own the transportation of our own country, and it is by vote that the citizen dictates his own terms of shipment. We have power all over the land by water that comes from every direction. We have everything in the world that could be suggested by this treaty and those who profess to prophesy of benefit in their imagination and dream.

What is the reason for the expenditures under the treaty when there is and will be a Treasury indebtedness of \$30,000,000,000 to \$40,000,000,000, where heavy taxes are to be laid upon our people, more crushing than the shoulders of mortality can bear, that we should add \$500,000,000 more of a burden to our people for a gift to another people, however well we wish them, to whom we owe nothing in the world for which to make such a grant? And in connection with it, to open the portals of our own land to the entrance of those who in an hour of serious embarrassment could involve our whole Nation in its destruction. Yet this sort of thing to be undertaken without reason, without excuse, and hasten as if the very empire of one land was dictating to the republic of another for its salvation instead of its destruction.

Mr. President, this is our country; this is our Republic. This, your country, today as government is the model of all nations of the earth. Her example is the symbol of hope to discouraged government. As friend she guides the perplexed nations of the confused world. She has risen to her splendor by deeds of immortality. This your Nation has repeated the miracle of the Master—from the granary of our gen-

erous heart we have fed the hungry of the world lined upon the shores of time. We are the one people of all the earth who sent the children of their land to die that the children of other lands might live.

This Nation has fulfilled every mission demanded of her by all mankind. Then, sir, we ask what is the meaning of our official sons in effort to sacrifice their own Nation and surrender it to what would reduce its power, then destroy its eminence? The issue here is the single question: Are you for your country or against it?

Mr. President, this America is our homeland. We seek to take no rights from any people. We deny the right of any people to take our rights from us. On this we stand. I summon my fellow citizens when I demand:

Breathes there the man with soul so dead
Who never to himself hath said,
This is my own, my native land!

Sirs, in the consideration of this treaty in this fateful hour, we salute the colors of our country and turn to our Nation with a prayer, "God save the State" and guide this honorable United States Senate.

I thank the Senate for its courtesy to me.

Mr. VANDENBERG obtained the floor.

Mr. DICKINSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Iowa?

Mr. VANDENBERG. I yield.

Mr. DICKINSON. I suggest the absence of a quorum.

Mr. VANDENBERG. Mr. President, I ask the Senator from Iowa if he will delay making the suggestion.

Mr. DICKINSON. I withdraw the point.

Mr. VANDENBERG. Mr. President, it would be very unfair for me to take anything more than a few moments of the time of the Senate, because I have heretofore spoken at considerable length on the question of the pending treaty, so I rise only for one or two specific purposes, and I shall speak very briefly.

I wish to say, Mr. President, to the able Senator from Illinois [Mr. LEWIS] that I could conceive of no more complete presentation of the treaty opposition than has been made by my eloquent friend the senior Senator from Illinois. By no further stretch of the imagination could the case be more strongly presented. I say "by no further stretch of the imagination" because it seems to me that my eloquent friend has already stretched imagination to a point where there is no resiliency left.

Mr. President, I rise primarily to present a series of petitions, semi-official in character, more than semi-official in their persuasiveness. I present contemporary petitions in behalf of the pending treaty signed on behalf of the State of California by Hon. James Rolph, Jr., Governor of California; signed on behalf of the State of Colorado by Gov. Edwin C. Johnson, and ex-Gov. Oliver H. Shoup; signed on behalf of the State of Idaho by Gov. C. Ben Ross and former Gov. H. C. Baldrige; signed on behalf of the State of Illinois by former Gov. L. L. Emmerson; signed on behalf of the State of Indiana by former Gov. James P. Goodrich; signed on behalf of the State of Iowa by former Gov. John Hammill; signed on behalf of the State of Kansas by the present Governor, Alf. M. Landon, and by former Govs. Clyde M. Reed and Henry J. Allen; signed on behalf of the State of Michigan by the present Governor, William A. Comstock, and by former Govs. Wilber M. Brucker and Alexander Groesbeck; signed on behalf of the State of Minnesota by Gov. Floyd B. Olson and former Gov. Theodore Christianson; signed on behalf of the State of Montana by Gov. F. H. Cooney; signed on behalf of the State of Nebraska by Gov. Charles W. Bryan and former Gov. Arthur J. Weaver; signed on behalf of the State of North Dakota by Gov. William Langer and former Govs. George F. Shafer and R. A. Nestos; signed on behalf of the State of Ohio by the present Governor, George White, and by former Gov. Harry L. Davis; signed on behalf of the State of South Dakota by former Gov. Warren Green; signed on behalf of the State of Wisconsin by Gov. A. G. Schmiedeman and former Gov. Philip La Follette; and signed on behalf of the State

of Wyoming by acting and former Gov. A. M. Clark. There could not be a more important or authoritative spokesman-ship in behalf of the people of these Commonwealths.

Mr. President, I ask that these petitions, which are in the form of letters from these executives may be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. McCARRAN in the chair). Without objection, the petitions will be received, lie on the table, and be printed in the RECORD at the conclusion of the remarks of the Senator from Michigan.

Mr. VANDENBERG. Mr. President, I should like to say that, in addition to the Governors who have been listed in this roll call, the Congress has been similarly petitioned by Hon. Clyde L. Herring, Governor of the State of Iowa; Hon. Paul V. McNutt, Governor of the State of Indiana; Hon. I. C. Blackwood, Governor of the State of South Carolina; and by Hon. H. C. Kump, Governor of the State of West Virginia, in the same behalf.

I doubt whether any more formidable challenge ever was laid at the bar of the Senate in behalf of the interest of so large a section of the American Union, and officially in behalf of so many States of the Union. It is a direct expression of the extent and depth of the feeling which exists respecting this great adventure, which, I think it is fair to say, is the greatest adventure which has challenged the imagination and the activity of the American people since another Roosevelt bisected Panama.

Now, Mr. President, I reply only to two suggestions which were submitted by my eloquent friend from Illinois. I reply to those as being typical of the general argument. I reply to them with the feeling that in each of these two instances the case submitted by my able friend from Illinois is so utterly without foundation, so completely without justification, so typical of the entire fallacious argument in opposition to the treaty that it is unnecessary to trespass upon the limited time remaining in this debate to pursue the matter beyond these two exhibits. All of these fictitious objections have been heretofore canvassed at great length and in my view wholly exploded by their impact with truth and fact.

The first exhibit: My able friend says that we are giving billions of our money to Canada. Then he amplifies that general text repeatedly, discussing this project in minimum terms of an American investment of \$500,000,000 and in maximum terms of one or more billion dollars; whereas in reality, when we come back to the authenticated facts as they lie at the bar of the Senate—facts authenticated, first, by the Board of Engineers for Rivers and Harbors of the War Department; facts authenticated, in the second place, by the President of the United States, whose word I decline to reject in testimony upon this proposition—we know from these official sources that the net cost over a term of years to the United States in respect to this enterprise will be a maximum of \$150,000,000. The grand total of the cost of the entire enterprise will be less than \$600,000,000; it will be in the neighborhood of \$540,000,000. It seems to me almost futile to repeat and reiterate the arithmetic which has been laid down so frequently. Our share is half; Canada's share is half. Against those halved costs are credited the investments which already have been made by each of these great peoples in respect to this enterprise; for, let it be remembered by the Senate, we are not talking about digging any new canal; we are talking solely about removing the last 40 impassable miles of 1,500 miles of waterway already open except for those 40 miles; and the credit which belongs to Canada, on the one hand, and the credit which belongs to the United States, on the other hand, in respect to the investment which has been made in the remainder of this great 1,500-mile stretch all stand to the credit of each; and our credit, when taken to our advantage, plus our credit for power, reduces the cost to us to \$150,000,000 over a term of 7 or 8 years which is required for construction. The President of the United States submits a prospectus. I stand upon the President's prospectus, even though gentlemen of his own party across the aisle may decline to do so. His prospectus says that this proposition has been laid out upon a long-range plan which involves an American expenditure

of \$9,000,000 a year for every conceivable expense involved in connection with it.

Why should Senators stand upon the floor and still talk about giving Canada half a billion dollars, one billion dollars, two billion dollars of American money, when the President's prospectus is—and I stand by it—that we are committing ourselves to a long-range program involving \$9,000,000 a year for the purpose of—what? For the purpose of unleashing 40,000,000 land-locked middle westerners.

The Senator from Illinois says that the condition of the Budget should "give us pause" before we commit ourselves to any such expenditure. Give us pause in respect to an expenditure of \$9,000,000 for a great undertaking of this nature, when on last Saturday the Senate never hesitated to appropriate \$350,000,000 for a dubious experiment in behalf of cattle and cows in the United States! Fear of throwing the Budget out of balance! Who is responsible for the Budget, Mr. President, primarily? Not the Senator from Illinois or I. The President is primarily responsible for the Budget, and the President of the United States has expressed no fear respecting the final tragedy which may occur if he gets his way and is permitted to proceed to build this great seaway. I yield to none in my fidelity to sound Federal finance. But I decline to permit it to be used as an excuse to stop a great and profitable enterprise which will help to build a new prosperity out of which we can better pay our prodigal bills in other directions.

Now I come to the other point to which I wish to advert. The Senator from Illinois says that we are not only giving our billions to Canada—which I submit we are not doing at all—but he also said we are giving the sovereignty and the soil of our Nation to a foreign foe. Mr. President, in the first place, I do not think when we are dealing with Canada that we are dealing with a foreign foe, by any vagary of the human mind, because anybody who can anticipate a martial conflict involving Canada and the United States can conceive the very end of civilization. However, I do not rest the proposition upon any such metaphysical basis as that. I submit that under the Rush-Bagot agreement, which is 115 years old, neither Canada nor the United States can invade the Great Lakes with a battleship or a cruiser or any other naval craft beyond the narrow limitations of that agreement. Furthermore, I submit that, since that agreement has withstood the assault of every vicissitude, even of a world war, for a century and more, it is, indeed, a late moment to begin worrying about whether or not the King of the British Empire is going to take Chicago.

Under the treaty of 1909 every right in Lake Michigan which Canada and Great Britain would acquire under this new treaty exists today as the result of the terms of the treaty of 1909, and the only difference between those rights is that, in the one instance, they are revocable upon a year's notice, while in the other instance they are irrevocable; and the rights which they possess on Lake Michigan are matched by our equally valuable reciprocal rights in the Welland Canal. Every hazard which is conjured here against this treaty for tomorrow and the day after exists at this moment, if there is any hazard at all, because the terminology in respect to navigation and British rights in Lake Michigan pertaining thereto is precisely the same under the pending treaty as it is under the treaty of 1909. With great respect, I brand this type of criticism as sheer self-serving hysteria.

Mr. President, if there is any agency in this country—speaking now in terms of journalism—which has applied the microscope to every proposition submitted to the Congress which might in any remote degree endanger the sovereignty of the United States, particularly its sovereignty in respect to the British Empire, it is the Hearst press, and when the Hearst press in a great and courageous broadside says what I now read, I submit it confirms the absence of any legitimate fear upon this basis. I am reading from the New York American:

The St. Lawrence waterway is a noble conception. Its appreciation requires vision—the vision to see not only its immediate advantages, which are sufficient to justify it, but its immeasurable significance to the future greatness of the country and the business of its people.

The President has the right to ask for the ratification of this treaty. He is seconded by intelligent opinion throughout the country.

Mr. President, I want now to submit a brief summary in a comparatively few sentences to bring together into a total the general situation as it appeals to me after 10 years of intensive study and after 10 years of intensive loyalty to this great undertaking.

Mr. President, the Senate's impending decision is of vital importance to 40,000,000 American citizens in the landlocked Middle West.

They ask for the privilege of reaching the sea. They ask for equality of access to the oceans and the markets of the world.

I submit to Senators from the seaboard—Senators from States whose port facilities we of the Midwest have ungrudgingly taxed ourselves to help sustain and develop—that we have earned and that we deserve a parity of opportunity in these respects.

Why do they protect their ocean heritage so jealously? Do they not thereby concede the paramount importance of this facility?

And will they say to 40,000,000 of us in the fertile Great Lakes Basin—we who have cheerfully paid out our unselfish millions to serve their needs—will they say to us that we must never be unleashed to reach the sea?

Do they demand of us that we shall forever be confined in this respect behind some 40 impassable miles of the St. Lawrence River out of 1,500 miles of navigable seaway, which already is developed by the gift of nature and the genius of man?

It is unthinkable!

The farmers of the midcontinent, for whom we solicitously pour out prodigal millions; yes, billions, in dubious relief adventures, speak through the united voice of all the major agricultural organizations of the Nation. In the name of their own intimate knowledge of their own best welfare, they demand this boon.

Shall the Senate keep the word of promise to their ear and break it to their hope?

Twenty-three great States of the Union, voluntarily joining and sustaining an official council of States, and 5 other States, speaking through past or present Governors, 28 in all, petition us in the name of their common welfare to give them justice in this matter of internal developments. They beg of us to give them their maritime rights. They ask for this seaway. They pray for this treaty.

Shall we embrace excuses—excuses as differentiated from reasons—for declining to heed their prayer and to serve their need?

Shall we decline an equal partnership with friendly Canada in the culmination of this greatest adventure since a former Roosevelt bisected Panama? The partnership puts us on even terms with Canada in the joint use of this common benediction. If we spurn the partnership, Canada can build a seaway of her own along this route—as unanswerably pointed out by the present President of the United States. A seaway of her own!

Is it possible that the Senate of the United States intends to leave its own midcontinent to the mercy of this added handicap and hazard? Must we not only be denied justice at the hands of our own statesmanship but also suffer relative jeopardy at the hands of wiser statesmanship elsewhere? I cannot accept prophecies of such an amazing Senate attitude.

Shall Republican Senators desert the treaty in the face of a specific commitment to it in the Republican platform of 1932, a commitment which involves a moral obligation upon every Republican Senator who did not specifically repudiate it, a commitment which was emphasized by the campaign activities of the Republican National Committee in the Middle West, a commitment which has back of it the hearty approval of three Republican Presidents?

Shall Democratic Senators desert the treaty in the face of a specific commitment to it in the campaign pledges of its

own present President, and the persistently courageous support which he gives to the project in the precise form in which it now impends?

Is it rational to believe that we have been treacherously delivered to a bad bargain by these high authorities, that we have been flung to the innumerable dangers conjured by hostile domestic interests which know exactly what they want and why?

It seems to me that any such beliefs would overtax credulity.

Have we menaced the essential sovereignty of the Great Lakes and opened the heart of the Nation to alien attack?

It is officially denied by the Department of State under two administrations and by counsels of elementary common sense.

Have we accepted unreliable estimates and thus exposed posterity to the burden of untold debt?

It is officially denied by the Board of Rivers and Harbors Engineers who are no less competent to speak with finality upon this subject than upon all the other kindred matters in which the Senate accepts them as the last and most dependable word.

Does the seaway promise economic utility and justification? Will it be used?

Every official survey ever made in the last 20 years, plus the well-nigh universal testimony of experienced industrialists and agriculturists in the midcontinent, answers in the unequivocal affirmative. Only those respond in the negative who simultaneously answer themselves by the expression of a parallel fear that their seaboard ports will seriously suffer from the vast amount of traffic which this new route will bear.

Is railroad labor entitled to fear this competition after 1942 when the seaway will be completed?

It is not. The Interstate Commerce Commission tells us, upon its high responsibility, that the seaway will take up but a fraction of the increased demand for transportation facilities which will develop in the next 8 years. Meanwhile it is an axiom that any contribution to the economic welfare of any great sector of the Nation is a contribution to the welfare of the whole—and the railroads are the first and ever-present partners in all enhanced prosperity.

Is the power development inimical to the mass advantage of those American citizens in the immediate area concerned?

Let every power authority in the great Empire State reply. From the Governor down, the chorus is unanimous; and even the Senators from New York who oppose this treaty for other reasons join in repudiating the implications raised against this section of the treaty.

Mr. President, the accumulated force of all these contemplations brings an exceedingly solemn challenge to the Senate in this final hour. With great respect I submit that it is a desperately important decision which shall now be made.

America's greatest single natural resource is the stake—and along with it the welfare of 40,000,000 people.

I beg of Senators to respond affirmatively, and to be honored for their courage and their vision.

Mr. President, the midcontinent must reach the sea!

(The letters in the nature of petitions submitted by Mr. VANDENBERG and ordered to lie on the table are as follows:)

STATE OF CALIFORNIA,
GOVERNOR'S OFFICE,
Sacramento, March 2, 1934.

To the President and Members of the United States Senate, greeting:

As Governor of the State of California, it is my pleasure and privilege to join with Governors of other States in earnestly petitioning that the seaway treaty with the Dominion of Canada, now pending ratification of the Senate, be accepted and that the necessary enabling legislation thereunder be enacted, to facilitate the early completion of the waterway between the Great Lakes and the Atlantic Ocean.

The above-mentioned undertaking has been generally accepted for some considerable period of time as a means for transportation of industrial and agricultural products, thereby benefiting both nations.

I have been advised that this project has been accepted and mutually agreed upon by the United States of America and the Dominion of Canada, and is now ready for ratification as a non-

partisan project of national and international benefit, and an early ratification will fill a long-felt need in industrial and agricultural pursuits.

With my compliments and every good wish,
Very sincerely yours,

JAMES ROLPH, JR.,
Governor of California.

To the President and Members of the United States Senate, greeting:

I, Governor of the sovereign State of California, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted, to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations, should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

JAMES ROLPH, JR.,
Governor of the State of California.

Signed at Sacramento, Calif., 1934.

DENVER, COLO., March 8, 1934.

CHARLES P. CRAIG,
Executive Director Great Lakes-St. Lawrence Association,
Meridian Mansion:

Joining with others for immediate ratification St. Lawrence Treaty.

ED C. JOHNSON, Governor.

To the President and Members of the United States Senate, greeting:

I, Governor of the sovereign State of Colorado, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

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I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

ED C. JOHNSON,
Governor of the State of Colorado.

Signed at Denver, Colo., 1934.

To the President and Members of the United States Senate, greeting:

I, former Governor of the sovereign State of Colorado, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted, to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health

and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations, should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

OLIVER H. SHARP,
Former Governor of the State of Colorado.

Signed at Colorado Springs, Colo., March 8, 1934.

BOISE, IDAHO, March 9, 1934.

CHARLES P. CRAIG,

Executive Director Seaway Treaty, Washington, D.C.:

Convey my endorsement of seaway treaty to United States Senate and President.

C. BEN ROSS, Governor.

To the President and Members of the United States Senate, greeting:

I, Governor of the sovereign State of Idaho, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations, should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

C. BEN ROSS,
Governor of the State of Idaho.

Signed at Boise, Idaho, 1934.

To the President and Members of the United States Senate, greeting:

I, former Governor of the sovereign State of Idaho, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations, should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting aside of special privilege and sectionalism in the consideration of this great national and international undertaking and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

H. C. BALDRIDGE,
Former Governor of the State of Idaho.

Signed at Parma, Idaho, February 27, 1934.

N.B.—By all means let us have the passage of the seaway treaty with Canada. It is most important to all our people—now is the time.—H. C. B.

To the President and Members of the United States Senate, greeting:

I, former Governor of the sovereign State of Illinois, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations, should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

LOUIS L. EMMERSON,

Former Governor of the State of Illinois.

Signed at Mount Vernon, Ill., March 1, 1934.

To the President and Members of the United States Senate, greeting:

I, former Governor of the sovereign State of Indiana, unite in earnest petition that the seaway treaty with Canada now pending ratification in the Senate be immediately accepted, and also that the necessary enabling legislation be thereafter enacted to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift of the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

JAMES P. GOODRICH,

Ex-Governor of the State of Indiana.

Signed at Winchester, February 26, 1934.

To the President and Members of the United States Senate, greeting:

I, former Governor of the sovereign State of Iowa, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift of the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations, should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one

great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

JOHN HAMMILL,

Former Governor of the State of Iowa.

Signed at Britt, Iowa, February 26, 1934.

To the President and Members of the United States Senate, greeting:

I, Governor of the sovereign State of Kansas, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations, should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

ALF M. LANDON,

Governor of the State of Kansas.

Signed at Topeka, Kans., February 26, 1934.

PARSONS, KANS., March 7, 1934.

CHARLES P. CRAIG,

Great Lakes-St. Lawrence Tidewater Association,

Washington, D.C.:

The St. Lawrence River International Treaty should be ratified without further delay. This is most important waterway project ever considered by American people, not excepting the Panama Canal except as to defense feature latter. No progressive nation should fail to open its interior to deep-water vessels. Failure unthinkable.

CLYDE M. REED,

To the President and Members of the United States Senate, greeting:

I, former Governor of the sovereign State of Kansas unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted, to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations, should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

CLYDE M. REED,

Former Governor of the State of Kansas.

Signed at Parsons, Kans., 1934.

To the President and Members of the United States Senate, greeting:

I, former Governor of the sovereign State of Kansas, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent

industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations, should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

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HENRY J. ALLEN,
Ex-Governor of the State of Kansas.

Signed at Wichita, Kans., March 2, 1934.

CHARLES P. CRAIG,

*Executive Director Great Lakes Tidewater Association,
Washington, D.C.:*

Add my name to list of governors endorsing petition for immediate ratification of seaway treaty.

WILLIAM A. COMSTOCK,
Governor of Michigan.

To the President and Members of the United States Senate, greeting:

I, Governor of the sovereign State of Michigan, unite in earnest petition that the seaway treaty with Canada, now pending ratification of the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations, should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

WILLIAM A. COMSTOCK,
Governor of the State of Michigan.

Signed at Lansing, Mich., 1934.

To the President and Members of the United States Senate, greeting:

I, former Governor of the sovereign State of Michigan, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted, to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations, should now be ratified in the same wholesome nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one

great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

WILBER M. BRUCKER,
Ex-Governor of the State of Michigan.

Signed at Detroit, Mich., February 26, 1934.

DETROIT, MICH., March 7, 1934.

CHARLES P. CRAIG,

*Executive Director Great Lakes-St. Lawrence
Tidewater Association, Washington, D.C.:*

It has been my observation that people of this State have been unanimously in favor of the St. Lawrence Tidewater project ever since its inception. Legislature after legislature has appropriated liberally to the promotion of the enterprise by the different States. When in office I gave it my support, and other governors, including the present one, have done the same. It has always been a conundrum to me why the actual construction of the improvement was not begun; why it took so long to negotiate a treaty acceptable to this country. I do not understand there is any opposition from the Michigan Senators, and cannot conceive why either of them should require any urging, and do not believe that they do. On the contrary, I think that they will assist and promote the ratification of the treaty. You can therefore count on Michigan's support to the limit.

ALEX. J. GROESBECK.

To the President and Members of the United States Senate, greeting:

I, former Governor of the sovereign State of Michigan, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted; and, also, that the necessary enabling legislation be thereafter enacted to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

ALEX. J. GROESBECK,
Former Governor of the State of Michigan.

Signed at Detroit, Mich., 1934.

To the President and Members of the United States Senate, greeting:

I, Governor of the sovereign State of Minnesota, earnestly petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted, to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to their agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations, should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

FLOYD B. OLSON,
Governor of the State of Minnesota.

Signed at St. Paul, Minn., March 6, 1934.

To the President and Members of the United States Senate, greeting:
I, former Governor of the sovereign State of Minnesota, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted, to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations, should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

THEODORE CHRISTIANSON,

Former Governor of the State of Minnesota.

Signed at Washington, D.C., February 25, 1934.

HELENA, MONT., March 10, 1934.

CHARLES P. CRAIG,

St. Lawrence Waterway Offices, Washington, D.C.:

You are authorized to add my name to governors' memorial to Senate on seaway treaty.

F. H. COONEY, Governor.

To the President and Members of the United States Senate, greeting:

I, Governor of the sovereign State of Montana, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted, to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studies and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

F. H. COONEY,

Governor of the State of Montana.

Signed at Helena, Mont., 1934.

LINCOLN, NEBR., March 8, 1934.

CHARLES P. CRAIG,

Director Great Lakes-St. Lawrence Tidewater Association:

You are authorized to sign my name to petition of governors urging the ratification of the Great Lakes-St. Lawrence Treaty. I believe both Nebraska Senators will support it.

CHARLES W. BRYAN,

Governor of Nebraska.

To the President and Members of the United States Senate, greeting:

I, Governor of the sovereign State of Nebraska, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted, to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and in-

dustrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations, should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

CHARLES W. BRYAN,

Governor of the State of Nebraska.

Signed at Lincoln, Nebr., 1934.

FALLS CITY, NEBR., March 10, 1934.

CHAS. P. CRAIG,

Executive Vice President Great Lakes-

St. Lawrence Tidewater Association,

Munsey Building, Washington, D.C.:

I endorse governors' petition ratification St. Lawrence Treaty this session. I regard analysis of whole question of water sufficiency by General Markham as sound. I approve leadership President Roosevelt in seeking completion America's two great inland waterway systems. The Great Lakes and Mississippi Valley systems both are indispensable to equality of opportunity for Mississippi Valley. Mississippi River system is now assured and Senate should give us seaway without delay.

ARTHUR J. WEAVER.

To the President and Members of the United States Senate, greeting:

I, former Governor of the sovereign State of Nebraska, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted, to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations, should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

ARTHUR J. WEAVER,

Former Governor of State of Nebraska.

Signed at Falls City, Nebr., 1934.

To the President and Members of the United States Senate, greeting:

I, Governor of the sovereign State of North Dakota, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted, to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

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I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need

of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

WILLIAM LANGER,
Governor of the State of North Dakota.

Signed at Bismarck, N.Dak., 1934.

To the President and Members of the United States Senate, greeting:

I, former Governor of the sovereign State of North Dakota, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted, to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

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I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

GEO. F. SHAFER,
Former Governor of the State of North Dakota.

Signed at Bismarck, N.Dak., February 27, 1934.

To the President and Members of the United States Senate, greeting:

I, former Governor of the sovereign State of North Dakota, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

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I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand we speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

R. A. NESTOR,
Former Governor of the State of North Dakota.

Signed at Minot, N.Dak., February 27, 1934.

To the President and Members of the United States Senate, greeting:

I, Governor of the sovereign State of Ohio, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic-reconstruction scope instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and finally written into a mutually fair agreement between two friendly nations should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

GEORGE WHITE,
Governor of the State of Ohio.

Signed at Columbus, Ohio, 1934.

To the President and Members of the United States Senate, greeting:

I, former Governor of the sovereign State of Ohio, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted, to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

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HARRY L. DAVIS,
Ex-Governor of the State of Ohio.

Signed at Cleveland, Ohio, 1934.

To the President and Members of the United States Senate, greeting:

I, former Governor of the sovereign State of South Dakota, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also, that the necessary enabling legislation be thereafter enacted, to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

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WARREN GREEN,
Former Governor of the State of South Dakota.

Signed at Hazel, S.Dak., March 5, 1934.

To the President and Members of the United States Senate, greeting:

I, Governor of the sovereign State of Wisconsin, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted, to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

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A. G. SCHMEDEMAN,
Governor of the State of Wisconsin.

Signed at Madison, Wis., February 27, 1934.

To the President and Members of the United States Senate, greeting:

I, former Governor of the sovereign State of Wisconsin, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

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PHILIP F. LA FOLLETTE,
Former Governor of the State of Wisconsin.

Signed at Madison, Wis., 1934.

To the President and Members of the United States Senate, greeting:

I, acting Governor and former Governor of the sovereign State of Wyoming, unite in earnest petition that the seaway treaty with Canada, now pending ratification in the Senate, be immediately accepted, and also that the necessary enabling legislation be thereafter enacted, to make possible the early completion of an ocean road between the Great Lakes and the Atlantic.

For the past 15 years this undertaking has been visualized, discussed, and generally accepted as a major means for permanent industrial and agricultural uplift to the entire Nation. The State represented in this petition has earnestly and officially demanded the seaway as necessary to its agricultural and industrial health and prosperity. The need remains urgent. The now-existing depression but emphasizes that need.

I subscribe to the principle that an undertaking of national and international economic reconstruction scope, instituted in a nonpartisan spirit, studied and accepted without thought of partisanship, and, finally, written into a mutually fair agreement between two friendly nations, should now be ratified in the same wholesome, nonpartisan manner as a matter of national and international benefit.

I demand the setting-aside of special privilege and sectionalism in the consideration of this great national and international undertaking, and in voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

A. M. CLARK,
Acting and Former Governor of the State of Wyoming.
Signed at Cheyenne, Wyo., February 22, 1934.

Mr. WAGNER. Mr. President, it is with great hesitancy and after long deliberation that I have listed myself in opposition to the St. Lawrence Waterway Treaty.

This treaty has been stamped with the approval of President Roosevelt. No President was ever confronted with more serious or difficult problems upon taking office. He has met issues with prompt action, clear vision, and the most generous feeling for the interests of the whole country. The superb statesmanship which he has shown in

guiding us from the brink of ruin to the paths leading to prosperity has won our boundless respect.

The other nations of the world, struggling against a world depression, look to our President as their guide in international affairs. With civilization at a crisis, he is the acknowledged counselor. My deep regret over differing with President Roosevelt on the St. Lawrence matter is happily tempered by the feeling that the bone of contention is in no way connected with the sweep of his great recovery program.

Mr. President, in listening to the speeches of many of the advocates of the treaty, I have been reminded constantly of Mr. Justice Holmes' famous warning that "general propositions do not decide concrete cases." These advocates seem to think they have advanced a decisive argument in favor of the treaty when they say that it should be considered on a broad national basis. Everyone in the Senate wants to consider it in that way; but the mere recitation of this truism does not tell where the national interest lies, or whether it would be advanced by the consummation of this project.

Equally fruitless are the charges that the treaty is being opposed by the railroads, the New York Chamber of Commerce, the Mississippi River enthusiasts, or other designated groups. Most of the sentiment either for or against any proposal can be analyzed in terms of various group interests. I should be very glad to hear convincing evidence that some groups would be benefited by the St. Lawrence project as much as they might be helped in some more practical way. Such evidence would incline me toward the treaty. I should also want to know about the particular groups that would be affected adversely by the treaty. Such disclosures would incline me against it.

Our task as legislators, as I see it, is to weigh whether the benefits to certain groups would outweigh the burdens imposed upon others. When we do this candidly and carefully we are considering the treaty as a question of national welfare. But we cannot make any headway by dealing in free assumptions that the treaty must be good because the railroads are alleged to oppose it, or that something must be fine for the United States because it is alleged to be bad for New York.

The unwillingness to distinguish between selfish bias and nationally minded opposition is closely paralleled by the confusion of the power with the navigation project. Those who do not see the need for a costly seaway from Duluth-Superior to Montreal are accused of opposition to the public development of water power. I am in favor of such development, as is shown by every vote that I have cast in the Senate or in the State legislature whenever the issue was presented clearly. I am entirely in accord with that part of the intergovernmental report submitted by President Roosevelt on January 10 which dealt with the benefits to be derived from public power. The able Senator from Wisconsin has said that power cannot be developed without a treaty. He has read a letter from the vigorous mayor of New York stating the same position and that New York would benefit by the power development. This letter begs the whole question. Power can be developed without this particular treaty. Power is not worth developing at the cost of an extravagant navigation project which would more than offset the power benefits.

In the minority report which I filed on January 10 I set forth in considerable detail the grounds for my opposition to the waterway program, and therefore to the treaty which embodies it. My intent now is simply to present for the convenience of the Senate the high spots of this report and to discuss the extent to which my conclusions have been affected by the President's subsequent report and by arguments advanced on this floor.

It will be found that a single unifying thesis runs through my entire argument. The St. Lawrence Treaty is founded upon economic conditions and proposals for relief that have become outmoded with the passage of time. It is neither responsive to present-day facts nor in accord with the poli-

cies of the recovery program. Its advocates cite the approval of Presidents Wilson, Harding, and Coolidge, and the only effect of such citation is to remind us that sentiment for the treaty developed during an era quite dissimilar to our own.

The first inquiry that must be made in determining the advisability of the St. Lawrence waterway involves the amount of traffic that would be available for movement over the improved channel. The proponents of the treaty rely largely upon the estimate of from 18,000,000 to 23,000,000 long tons, made by the Department of Commerce in 1927. This study never pretended to be more than a statement of the flow of goods over the waterway if it succeeded in capturing all of the traffic, with a few unsubstantial exceptions, exported from the tributary areas. No effort was made to determine what commodities would continue to move over the railroads, whether because designed for destinations that could not be served effectively by the waterway or because composed of types of traffic not adaptable to water transportation.

Anyone who examines the Department of Commerce book will be convinced of its indefinite and inconclusive nature; and this conviction will be confirmed by the words of the Secretary of Commerce, who wrote:

No attempt has been made to determine the amount of potential traffic that actually might move by any of the routes, nor has an estimate been made of the total possible saving.

Quite aside from the inadequacies of this survey when made, it took no cognizance of the long-time trends affecting our position in the international grain trade. Disregarding the recent depression, our total exports of wheat declined from 260,996,000 bushels in 1920 to 168,307,000 bushels in 1927. During the years 1919-21 we captured 41 percent of the world trade in wheat, and from 1923 to 1930 we secured only 21 percent. Many countries at the present time have embarked upon domestic preferences, and the competition from other wheat areas is likely to be more serious than it has been in the past. Furthermore, the whole area tributary to the Great Lakes has long been of declining importance as an export area. Its wheat acreage figure declined from 57.7 millions in 1919 to 45.9 millions in 1928.

The new studies, embodied in the report of the Government departments submitted by the President on January 10, and ably presented by the Senator from Nevada 2 days later, in no way correct the errors or the agedness of the Department of Commerce's 1926 estimate. The new report reads—and I now read from this report, which has been presented as a present-day estimate:

The possible export and import commerce over the proposed St. Lawrence waterway, based on 1929 conditions, is estimated at 23,000,000 tons. Certain corrections, arbitrarily made in an effort to be conservative, reduce the estimate to a more probable figure of 13,000,000 tons.

It is astounding to note that this new report, without attempting to answer the criticisms that have long been leveled against the haphazard nature of the old commerce survey, and without allowing for the changes in our economic life and policies since then, arrives at a total just as high as the one set in 1926. It is not a new estimate at all, in any real sense. While the study may have just been made, it is based upon the old conditions before 1929. Its only novel feature is that it makes an indefinite estimate even more vague by subjecting it to an arbitrary correction. The Senator from Wisconsin has extolled this up-to-date report of January 1934. But his quotation from this very report contains the admission that it is based on conditions in 1929. I refer Senators to the CONGRESSIONAL RECORD, January 31, page 1659.

Several Senators have made earnest pleas that, instead of viewing the treaty in the light of present conditions, we should project our vision ahead to 1942. Yet they have been content to rely upon the intergovernmental report which admittedly based its estimates upon conditions in 1929.

The Senator from Wisconsin has said that my minority report is out of date because I based my conclusion of the economic undesirability of the treaty upon traffic estimates made in 1926 and 1927 (CONGRESSIONAL RECORD, p. 1659, Jan. 31). Surely the Senator realizes that if traffic estimates made during the boom years did not justify the project, it cannot be justified today. Surely my arguments have even more force since I made a concession to the proponents of the treaty by dealing with the years when our foreign trade was at its peak. How can the Senator object to my considering the estimates of 1926 and 1927 when these were as high as those contained in the new report upon which he relies so heavily?

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. WAGNER. Will not the Senator permit me to finish? Then I will be very glad to yield.

Mr. BAILEY. I was merely going to undertake to aid the Senator's argument with another quotation from the very remarkable McNinch report, which the President has submitted. But I will not trouble the Senator; I will do it in my own time.

Mr. WAGNER. Perhaps I myself may refer to it a little later.

Mr. BAILEY. I merely desired to call attention to the fact that the report makes an estimate of railroad traffic in 1929. The report is submitted in January 1934 and says there has been no sign of diminution in railroad traffic in the United States, notwithstanding the events in the intervening years. That is in the message before us.

Mr. WAGNER. I thank the Senator very much.

The new report, and the speeches of the able Senators from Nevada and Montana, are filled with impressive figures concerning the population and the productive capacity of the tributary areas. The able Senator from Wisconsin goes even further. He attaches importance to the statement made in the intergovernmental report of January 10 to the effect that by 1950 the increases in our total national traffic will be 30 times as great as the traffic which he claims will move over the seaway. He quotes the figures of the report showing the increase in railroad tonnage between 1901 and 1930.

I do not question the grandeur and wealth of the great tributary region. Still less do I deny the future progress of the United States. But the potential traffic of the waterway is not determined solely by the population or production, or even by the exports of the tributary area. It is certainly not determined by increases in our total national traffic. It is determined by the capacity of the waterway, by the navigation season, by the types of traffic suitable for waterway carriage, by the routing of goods, and by the quality of service rendered by other agencies. The proponents of the treaty have sought to dazzle the opposition by reciting tremendous totals that have little relevance to the question under consideration, or by creating inferences that closer analysis will not support.

For example, it is claimed that there will be a tremendous flow of domestic commerce over the St. Lawrence because 92 percent of the Great Lakes' tonnage and 82 percent of the Atlantic ports' tonnage is domestic. The mayor of New York, in his letter of February 26 to the Senator from Wisconsin, has taken this position. Analogy of this sort has no validity. In my report I have demonstrated that most of the domestic tonnage moves between areas that could not be served by the waterway.

The agitation for the waterway, as a matter of fact, has been founded less upon figures than upon the fantastic theories of foreign trade that prevailed during the 1920's. During those years it was believed that farm difficulties could be obviated by developing a huge export market and financing the purchase of our own products. In the pursuit of this notion no proposal pretending to increase export facilities was too fanciful for acceptance. Today, on the other hand, we are striving to reduce our wheat acreage by at least 15 percent and to rationalize the production and consumption of farm products upon a national basis. It is difficult

to understand why the proponents of the treaty overlook this new direction of policy and blindly pursue the ancient cure-all for the solution of the agricultural problem.

In my report I have made a careful accounting of the amount of traffic that would be likely to flow over the waterway upon the restoration of normal economic conditions, and the total United States traffic comes to about five and one half million tons. To what extent would the shipper benefit if this traffic might be moved over the St. Lawrence waterway rather than over some facility which is now available, and how much would the American public have to pay for these benefits?

The claims that the waterway would improve our transportation facilities have become as antiquated as the original estimates of available traffic. The project was designed to remedy the congestion of 1920. It has not been reexamined in the light of our experience from 1922 to 1929, when an unparalleled volume of traffic was handled with complete ease. The project was intended to compete with the railroads. There has been no careful consideration of the very limited amount of competition which could be supplied by a waterway that would be open only 7 months every year, that would be available for only limited classes of traffic, and that would not provide a real inducement to the entry of ocean-going vessels.

Even if it could be shown that the waterway might compete effectively with the railroads, the expenditure of public money simply to provide private competition cannot be justified. For many years we clung to the dogma that services could be improved and costs reduced by perpetuating competition in the public-utility field. As a result facilities were duplicated, costs rose, and the railroads were brought to the verge of disaster. Today we have commenced a great undertaking to unify and coordinate our transportation facilities, and to translate efficiency into public service by a sound rate-making policy. Unless we intend to abandon this promising policy and return to practices that experience has discredited, there can be no valid argument advanced for the St. Lawrence waterway unless it is fundamentally a more economical way of carrying goods than land transportation.

I have not heard a single Senator favoring the treaty deal adequately with this basic question. Instead the whole problem of the relationship between the waterway and the railroads has been beclouded by false issues or unwarranted assumptions. The able Senator from Minnesota sought at some length to prove that the railroads are opposed to the waterway. Even if we assume this opposition to be purely selfish, it means only that the railroads do not want to be faced with the competitive rates of ships that do not have to bear the cost of the seaway. But such opposition sheds no light upon whether the saving in freight rates to shippers would be great enough to justify the original outlay or annual upkeep charged against the American people. Secondly, the Senator from Minnesota essays to prove that the railroads, if they only knew it, would benefit greatly by the improvement in our national system of transportation. Likewise the letter from the mayor of New York states the truism that New York and the east coast would benefit by increasing domestic commerce and the economic revival of the Middle West. These arguments beg the whole question of whether such improvements would follow from the development of the waterway, and whether greater improvements might not be effected in some less costly way.

The Senator from Wisconsin has proved beyond question that all important western railway executives favored the waterway in the 10 years preceding 1931. If the Senator did not place any reliance upon the judgment of these men, he would not quote them in his favor. If he does give weight to their views, the fact that they were for the treaty before 1931 and oppose it today bears out my contention that the permanent trends in our economic development run counter to the waterway.

What would be the actual freight saving on goods that would move over the St. Lawrence waterway? The strongest evidence of the failure to view the treaty in the light of the present is the continued adherence to the claim of an

8-cent freight reduction on each bushel of grain shipped from the tributary area to Europe despite the fact that the total cost of such transportation is now less than 8 cents.

The able Senator from Minnesota is not annoyed by the fact that the claims of freight saving exceed the actual total transportation costs at present. He suggests that the proper yardstick is not the present cost on routes that would compete with the one under consideration, but the costs from the Gulf ports to Europe (CONGRESSIONAL RECORD, p. 923, Jan. 19). I do not catch the significance of this argument. Even if the rate on the new waterway from Duluth to Liverpool could be the same as the rate from the Gulf to Liverpool, it could not be 8 cents cheaper than the present rate from Duluth, when that present rate is as low as 8 cents.

Furthermore, the able Senator from Minnesota says that the total rate from Duluth to Liverpool will be only an extension of the Montreal-Liverpool rate, "made in proportion to the extension of the distance in total sea-miles." This would not be the case. As I have demonstrated in my report, traffic and navigation conditions between the Great Lakes and Liverpool would not permit carriage as cheap as that existing on trans-Atlantic shipments.

Even under normal economic conditions, as I have shown in my report, the case for an 8-cent reduction cannot be established, and the most likely figure is around 4½ cents. To what extent would this benefit the American grain grower? The advocates of the treaty claim that the freight reduction would be translated into enhanced prices for exported grain and that the benefits would extend also to all grain grown for domestic use because all prices are fixed on the world market at Liverpool.

Our attempts during the past decade to solve the agricultural problem have exposed the complete fallacy of the notion that the price of all our foodstuffs is fixed on the European markets, and that we can increase the revenue on all our farm products simply by artificial stimulation to the price of exported goods. We have set forth upon a diametrically opposed policy, to wit, the realignment of agricultural prices on the domestic market by a system of internal control. It is indeed surprising that the proponents of the St. Lawrence project today pay unqualified tribute to a theory of farm aid that was exploded as early as 1927 and completely abandoned in 1933.

As a matter of fact, there is grave doubt as to whether even the American shipper of grain would benefit by the reduced rates. More than 50 percent of the freight saving would very likely serve to reduce prices to consumers abroad, and in addition the wheat farmers outside the tributary areas would find their prices adversely affected by the new competitive conditions.

Now that we have properly delimited the areas to which the benefits of the waterway would extend, let us survey its costs. According to the estimate of the Board of Engineers, who met finally in 1932, the total cost to the United States would be \$272,453,000. The Senator from Wisconsin has stated that I ignored the estimate of the Corps of Engineers, submitted with the new report last month. The fact is that this estimate is identical with the 1932 estimate treated in my minority report.

I did not ignore this estimate. Only an engineering expert should dare to question it insofar as it goes. But one need be a specialist to read the report of the engineers and notice the omission of elements of cost which common sense and good business and governmental practice should force one to include. Interest charges during the contemplated 8 years of construction, the likelihood of unanticipated delays which have been the unvarying rule in previous projects of this kind, and the cost of harbor and port improvements to meet the needs of ocean-going vessels have all been neglected. When these necessary items are included, we find that the total cost to the United States would be \$573,136,000. Making allowance for the \$89,726,000 which the State of New York undertakes to pay to the United States for the water-power development, the cost of the navigation project alone would be \$483,410,000, or

\$30,170,500 per year. This means a charge of \$5.48 for each ton moved, or about 15 cents for every bushel of wheat.

On January 16 the able Senator from Michigan presented figures submitted by General Markham in defense of the cost estimate made by the Board of Engineers. General Markham calls to our attention the fact that the War Department in 1920 estimated the cost of improving the New York Harbor Channel at \$10,400,000 and that in 1932 the work was completed at a cost of only \$9,696,487. (CONGRESSIONAL RECORD, p. 716.) But we must realize that the index of prices was 154 in 1920, when the estimate was made, and averaged less than 100 during the period of construction. When this correction is made we find that the actual real cost in terms of 1920 prices was over fourteen and one half million dollars, or almost 40 percent more than the estimate. When we make the same necessary corrections in General Markham's other figures, and when we note that most of the Public Works projects which he cites are not as subject as the waterway to unusual difficulties, we realize that the very figures of the Department justify my claim that at least 20 percent should be allowed for unexpected costs.

The Senator from Wisconsin has censured my claim of a 20-percent allowance in "the teeth of the testimony that work on the connecting channels of the Great Lakes has been going forward for more than a year at an actual cost of about 50 cents on the dollar of the original estimate." The Senator, too, has failed to take account of the difference between price levels at the time of the estimate and at the time of the work. Nor has he noted that the difficult, problematical part of the project is not in the connecting channels, but in the International Rapids section.

But that is not the most important thing. My chief criticism of the engineers is not that they miscalculated the costs which they attempted to estimate, but that they deliberately neglected interest charges and harbor improvements. The Senator from Michigan cannot justify this granted omission by introducing figures which are intended to show only that the estimates of the War Department are generally correct as to the items which they do not neglect to consider. Nor can the Senator from Wisconsin justify it by citing the fine records of the Army engineers. Probably the Board could make an estimate of the cost of harbor improvements more accurate than the one I submitted in my report. But no advocate of the treaty has claimed that an attempt was made to do so.

The Senator from Wisconsin objects to my inclusion of harbor costs. He says that I have:

Completely ignored the fact that * * * much of the expense of developing the harbors will be borne by the local communities. (CONGRESSIONAL RECORD, p. 1660, Jan. 31.)

Of course, I have ignored it. My interest is not limited to the cost to the Federal Government. I am considering the total cost to the taxpayers of the United States, however imposed, in relation to the benefits which they will receive. For this reason the Senator's citation of General Markham's estimate that harbor improvements would cost the Federal Government \$7,500,000 is irrelevant.

I have heard the argument that the project could be completed for a far smaller sum than the one stated, because prices are much lower than they were during the 1920's, when the basic estimate of the Board of Engineers was made. But in considering a governmental expenditure for the benefit of the public and paid for by the public, we must deal with real costs in labor and materials. These remain constant despite fluctuations in the purchasing power of money. Any change in price levels which decreases the monetary cost of a project brings a corresponding decrease in benefits to be derived therefrom when measured in monetary terms.

The question, then, is, Should a public expenditure amounting to 15 cents for every bushel of wheat moved over the waterway be undertaken in order to effect a saving to the American shipper, or the European buyer, that would amount to 2 cents today and only 4½ cents with the return of normal price levels? Even if our foreign trade should become twice as great as it was during the 1920's, which is

certainly a fanciful expectation, the cost to the American people would be 7½ cents per bushel in order to effectuate a saving to the shipper of a far lesser amount.

In my search for an up-to-date estimate of freight savings, I have reread the exposition of the Senator from Nevada, and I find that he regards the matter as self-evident. If I do not misquote him, he says:

No one denies that freight can be shipped cheaper through the canal than by rail, because if it could not be shipped cheaper the railroads would not worry about it. I do not need to prove that. (CONGRESSIONAL RECORD, p. 537, Jan. 12.)

Mr. President, am I too critical in asking some proof to rebut the evidence regarding rate reductions that I have presented in my report? Furthermore, need I repeat that the issue is not simply whether freight rates on the waterway would be cheaper than by rail? Everyone admits that they would be somewhat cheaper. But the saving to the shipper would not be great enough to cover the portion of the cost of the waterway that would be borne by the public generally. Thus the total undertaking would involve a loss.

As a last resort, the Panama Canal has been brought forth in support of the St. Lawrence project. The two are transparently different. The waterway would cost two and a half times as much as the canal. It would have 16 or 17 locks, compared with 6 at Panama. It would be open 7 months every year instead of 12. The Panama Canal was cut through a narrow isthmus to connect two oceans, which touch every port, handling every type of goods, going to every destination. The completed waterway would be over 2,000 miles long and would prove advantageous only for the limited trade between the tributary areas and Europe. The advocates of the treaty do not dare to make a careful comparison between the two projects. They are content to say that the opponents of the St. Lawrence must be wicked because the opponents of the Panama Canal were mistaken. If anyone is impressed by their logic, I shall not attempt to dissuade him.

The proponents of the treaty, when confronted with the fact that all their older arguments have been washed away by the current of events, advocate the project as a great public-works undertaking. Certainly, I have not been delinquent in my advocacy of public works. But I am not in favor of a public-works undertaking that is extravagant in conception and foredoomed to constitute an annual drain upon the resources of the country.

I am not in favor of a public-works project designed to employ Canadian workmen with United States money. The treaty provides that although the United States is to supply the funds for most of the work in the International Rapids section of the St. Lawrence River, the portion of this work on the Canadian side of the section is to be performed by Canadian workmen using Canadian materials.

This means that out of the \$573,136,000 spent by the United States, \$104,200,000, or almost one fifth, will be devoted to Canadian use. Are the American people, straining every nerve and fiber to remedy domestic unemployment, prepared to sanction a proposal which contemplates that for every \$5 of American money spent, \$1 should be devoted to the employment of Canadian men and the purchase of Canadian materials?

The common belief that Canada and the United States are to spend equal amounts upon the St. Lawrence project cannot be sustained. Proper account should be taken of the fact that Canada has received full credit for over \$128,000,000 which she has already expended, while the United States has undertaken work based upon untested estimates subject to all the contingencies of the future. Allowance should also be made for the American money to be spent on Canadian soil to employ Canadian workmen. The actual cost to the United States, as I demonstrated in my report, would be about two and one half times as great as the cost to Canada.

Despite this amazing disparity in costs, the potential Canadian grain traffic for the waterway is over twice as great as that of the United States. Reductions in freight rates would afford the greatest benefits to Canadian farmers,

as the Canadian price of grain is much more delicately adjusted to the export market than is our own. Forty million bushels of grain annually would be diverted from United States ports in their passage from Canada to Europe.

Of the 5,000,000 horsepower, which are the total potential capacity of the St. Lawrence, almost 4,000,000 will eventually devolve upon Canada, including her 50-percent share of the 2,200,000-horsepower development in the St. Lawrence Rapids section and her exclusive rights to the deferred development in the Soulange and Lachine sections.

Finally, I think that serious consideration should be given to the advisability of directing part of our commerce through Montreal. It is inconceivable to me that anything but the most friendly relations should exist between the people of Canada and the people of the United States; but in the eventuality of war between the British Empire and some third power there would be great difficulties involved if American goods were consigned to powers unfriendly to Great Britain and were attempted to be moved through a Canadian port. In view of the ceaseless efforts of landlocked nations to gain access to the sea, it seems strangely ironical that our country, with thousands of miles of seacoast, should seek an outlet to the ocean through a foreign port.

Viewed simply as an isolated economic undertaking, the St. Lawrence project entails costs that are unlikely to be regained. Surely, this in itself should be a serious drawback at a time when public agencies are being strained to the limit by the demands of relief and reconstruction. But the defects of the treaty go even deeper. The treaty embodies a program for agricultural relief that has been found wanting and that has been superseded by a totally different course of action. It seeks to promote a new competitive factor at the very moment when we are attempting to unify and coordinate our transportation facilities and to raise them above the wreckage that unchecked competition has produced in the past. It promulgates a doctrine of foreign trade that we have repudiated by every pertinent act of the new deal.

For these reasons I hope that the Senate will vote against the ratification of the St. Lawrence Treaty with Canada.

Mr. COPELAND. Mr. President, may I call attention to the petitions I hold in my hand, which were sent to my colleague and to me from 4,970 citizens of our State? These petitions have just been signed, the signatures were obtained within a period of 3 days, and all the signers are in opposition to the St. Lawrence Waterway Treaty.

I merely want to call the attention of the Senate to the, so far as I know, almost unanimous opposition in the State of New York to the St. Lawrence Waterway Treaty.

The PRESIDING OFFICER. Without objection, the petitions will be received, noted, and lie on the table.

Mr. PITTMAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. GEORGE in the chair). The Senator will propound his parliamentary inquiry.

Mr. PITTMAN. I should like to ask whether the request was to publish the petitions in the Record?

Mr. COPELAND. No; I did not ask that they be published in the Record, but that there be noted in the Record the fact that my colleague and I had received these petitions, signed by nearly 5,000 citizens of our State, in opposition to the treaty. I do not wish to cumber the Record. I have already done that more than I should.

Mr. GIBSON. Mr. President, I shall occupy only a few moments of the time of the Senate. It is not my purpose to discuss the merits of the St. Lawrence project; that I leave to my abler colleagues; but it is my desire to call attention briefly to a supplementary development that I believe will be necessary if the proposed seaway under the pending treaty becomes an accomplished fact. It is a plan in which the people of eastern New York and western Vermont, living in the Champlain Valley—in fact, the people of New England generally—are directly interested. It is not necessary at the present time to discuss this matter to its final analysis or complete explanation. It is not inappropriate, however, that reference should be made to it at this time.

One outstanding criticism of the St. Lawrence ship canal project is the long haul necessary to reach the Atlantic coastal cities, the West Indies, Central and South America. It is fully as important to serve the commercial needs of American countries as it is to get our exports to European markets.

The distance from Montreal to New York by the proposed sea route is between 1,200 and 1,300 miles, through a dangerous sea area in the region of the St. Lawrence Gulf, and one that is closed to navigation at least 4 months of each year.

It has often been stated truly that transportation is the key that controls our future development. The highways, the railways, the water-carrying facilities must expand in order to accommodate an increase of 40,000,000 in our population in the next 20 years. The annual ton-mileage of our railroads at the present time is something like 400,000,000,000. With the increase we may reasonably expect the ton-mileage will reach 800,000,000,000 by 1950.

It is reasonable to assume that our railroads will be wholly unable to absorb this increase, and so the development of waterways becomes a necessity. Railways will carry high-tonnage values over long distances; the highways will carry high-tonnage values over short distances; and the waterways will carry low-tonnage values over long distances.

Coordination of these facilities will be worked out through the demands of transportation in the commercial development of the future.

How can the long haul by way of the Gulf of St. Lawrence be avoided? The answer is obvious. Take a map of lower Canada, northern New York, and Vermont, and it will be seen that the distance from Lake St. Francis, a completed section of the seaway, to the northeast of the site of the contemplated St. Lawrence power development, to Lake Champlain is around 35 miles. Lake Champlain, with its navigable waters, stretches a distance about 140 miles between New York and Vermont. A canal can be constructed from Lake St. Francis to Lake Champlain. The elevation at the height of land between these bodies of water is only 218 feet above mean tide at New York City and 66 feet above low-water stage of Lake St. Francis. If the level of Lake Champlain should be maintained at 100 feet above mean tide at New York City, it would leave a lockage of only 52.4 feet to be taken care of, either by one lock or by two locks. When Lake Champlain is reached there is available a free waterway of 120 miles south to Whitehall, N.Y.

Thence navigation can proceed by an improved canal to Fort Edward, a distance of 23.4 miles; then a canalized river to the mouth of Norman's Kill, 49.6 miles, where tidewater is reached. These existing partial developments can be widened and deepened and the way to New York City opened to ocean-going vessels.

The engineering problem has been studied by private engineers, who report that this route is feasible and that it could be constructed without difficulty, could be used for 9 months of the year, and would reduce the distance from Montreal to New York City from about 1,300 miles to 450 miles. The project has also been given careful study by Army engineers. Their report is set forth in House Document No. 149, Fifty-sixth Congress.

The benefits to New York would be beyond estimate. The three great shipping ports of the Empire State, in the order of their importance, are New York City, Buffalo, and Port Henry. These would be connected by this waterway.

I have stated that this route has been studied by engineers. I quote from an address by Francis C. Shennelton, an eminent engineer and an authority, at a meeting of American engineers held in 1924, in which he said:

The preferred route from the Great Lake system to the port of New York for deep drafts, ocean-going vessels now appears to be the St. Lawrence-Lake Champlain route; and the aspirations of the citizens of New York for a deep waterway, entering salt water through the Hudson River portal, appears to be in parallel with the aspirations of those seeking a deep waterway following the St. Lawrence River to the Atlantic.

New York City is the great shipping center of the Nation; its port must be protected. This can be done by develop-

ing the Champlain route and a waterway provided for the products of the West quickly to reach the ports of the East, of Central and South America.

Much has been made of the claim that the St. Lawrence seaway would shorten the route from the Middle West to the Old World. If it is worth while to shorten the route to Europe why not shorten the route to the Atlantic seaboard?

If, as the distinguished Senator from Michigan [Mr. VANDENBERG] said, the Midwest must reach the ocean it should be able to reach it by a reasonably short route.

It is obvious that a saving in time and cost would result. Of course, the building of the Champlain Canal must wait on the completion of the St. Lawrence waterway, but I commend the project now to the attention of the Congress as worthy of early consideration.

Mayor LaGuardia in his recent letter to the senior Senator from Wisconsin [Mr. LA FOLLETTE] makes the statement that 80 percent of the water-bound commerce of the United States is domestic rather than foreign trade, and that the extension of our seacoast into the Middle West will inevitably increase the profitable exchange of goods between New York and the other great American cities of the littoral of the Great Lakes.

If the able and forceful mayor of our greatest American city is correct, then how much more advantageous will be the position of the port of New York and the East with a short-cut approach through the Champlain Valley? Then the East will truly benefit from the economic recovery and development of the Middle West.

Three ways of outlet from the Great Lakes to the sea have been proposed. One is the St. Lawrence ship canal project now under consideration; the second is the Oswego-Mohawk Canal by way of Lake Oneida to the Hudson, and the third is the Lake Champlain route.

The Oswego-Mohawk route and the St. Lawrence seaway project are both independent schemes, while the Champlain route is necessarily a supplement to the St. Lawrence seaway. At the beginning it is well to compare the Oswego-Mohawk route with the proposed Champlain route. The St. Lawrence waterway would not be necessary for American commerce if we should develop the Oswego-Mohawk route. The Oswego-Mohawk Canal would not be supplementary to the St. Lawrence route.

The distance from the foot of Lake Ontario to New York by way of Lake Champlain is 414 miles. From Oswego, on Lake Ontario, to New York it is 313 miles, involving the passage of 31 ship locks, while the St. Lawrence-Champlain route, from the division point at the foot of Lake St. Francis, the distance to New York is 363 miles, involving the descent through only 12 ship locks. Engineers estimate that the cost of the Oswego-Mohawk route would be \$66,000,000 more than the Champlain route.

Mr. President, my purpose in speaking at this time is not to discuss the treaty, but to call the attention of the Congress and the Nation to the obvious fact that after the St. Lawrence route shall be completed it will be of great benefit to supplement it with another canal way in order for the products of the West to reach the Atlantic coast without traversing an extra 1,500 miles to reach the port of New York.

Mr. DICKINSON. Mr. President, I shall detain the Senate for only a few minutes with reference to my position on the St. Lawrence Treaty. I noted that the distinguished Senator from Nebraska [Mr. NORRIS] referred to a statement I had made over the radio in 1932, in which I said:

Favoring this route from the first, President Hoover has succeeded in negotiating a treaty with Canada by which this waterway will be built and a cheap transportation outlet to the Atlantic will be given to the farmers of the Middle Western and Northwestern States.

I stand by that proposal now, if the treaty had been as we expected it would be and had provided for connecting up the Missouri and Mississippi Valleys with the St. Lawrence waterway. As stated heretofore, my sole objection to the treaty has been and is that if we bring the benefits of the treaty to the Great Lakes and then cut off the benefits

from there to the Mississippi Valley, the Mississippi Valley is being treated just as it was treated by the construction of the Panama Canal. The Panama Canal has been referred to here. Let me refer to the RECORD for a moment with reference to the Panama Canal.

No greater calamity ever was imposed upon the Mississippi Valley than by the passage of the measure providing for the construction of the Panama Canal. Why? Because it permitted a cutting of freight rates so that shipments could be made through the canal to the eastern section of the United States and to the far West at rates lower than applied on shipments from the Mississippi Valley to the far West or to the far East, either way. What happened? It practically destroyed the economic position of the Mississippi Valley with respect to the industries located there.

When that bill was before the House at the time, being H.R. 3110, only two Members of the House voted against it. Who were they? They were Fletcher, of Minnesota, and Lassiter, of Virginia. The full Iowa delegation voted for it. The full Illinois delegation voted for it. We did not know that we were going to have imposed upon us a handicap of that kind, but now we find that, regardless of the good intentions of the men representing our State at that time, it has worked adversely to our economic interest, just as ratification of this treaty will operate adversely unless some assurance shall be provided that the Great Lakes and the Mississippi Valley are to be connected by this waterway.

I know it will be said, in view of this statement, that we are interfering with a great principle. I do not believe anyone of 15 years' service in the Congress has been more faithful to the cause of the inland waterways than have I. I have been one of those who have always insisted that adequate appropriations be provided for them. We have been working for a barge system on the Mississippi River. We have worked to improve the Missouri River. All the great tonnage of the Mississippi Valley comes naturally into the city of Chicago. It is produced in that area. We are not so much interested in wheat. We are not so much interested in some of the other products about which Senators talk, but we are interested in having low rates that will permit us to get our tremendous production of farm produce to market.

The big tonnage from Iowa, the big tonnage from Nebraska, the big tonnage from Missouri all comes to the city of Chicago. The northern tonnage represents wheat, and almost wheat alone. That will come into the Great Lakes at Duluth. But as we go further south we find that we must have access to this whole route, otherwise it will be a handicap rather than a help.

Why a handicap? Just as I have suggested with reference to the Panama Canal, which raised the rates of all our freight from the Mississippi Valley east, and from the Mississippi Valley west.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. LONG. I catch from the Senator's point what I see in the future. If we keep making treaties of this kind we cannot ship from the middle sections of the country to the East, nor from the middle sections to the West. We cannot ship from those sections to the North, nor to the South. We shall just have to rim the coast, or near the coast, with practically everything we have, and create almost a vacuum and a desert in the middle region of this country if we continue to neglect the Mississippi Valley and build up the other projects the Senator is talking about.

Mr. DICKINSON. I agree with the Senator, except that it would not be possible to make a desert out of Iowa. We have too much rain.

Mr. LONG. I meant a desert for trade.

Mr. DICKINSON. The Senator means an economic desert, not a production desert?

Mr. LONG. An economic desert. For instance, as the Senator has demonstrated, from San Francisco to New York, going through the Panama Canal is cheaper than going from Waterloo, Iowa, to either point.

Mr. DICKINSON. That is exactly right.

What will happen if the diversion at Chicago is not sufficient to maintain the Hennepin Canal, and if the flow of the Illinois River cannot be maintained, either by reason of lack of water or by reason of lack of sufficient water for sanitation—because if the water is there but is polluted to a point where it cannot be used, it is useless as a canal. If we do not have that connection, if the connection is not absolutely provided in this treaty, then we are in a position where the freight rates will be lowered from Chicago east, but they will be increased from Chicago west, and the great grain-trade area of the city of Chicago will suffer accordingly. That is the reason why I am intensely interested in this proposal.

Not only that; but I find that public men become interested in these proposals on account of pressure. We find that the idea of the Panama Canal was sold to this country, and, as I have heretofore suggested, in the Senate of the United States at that time there were only 6 votes against it—1 vote from Tennessee, 2 from Missouri, 1 from Virginia, 1 from Idaho, and 1 from Alabama. No one dreamed at that time that the construction of the Panama Canal was going to have an adverse effect upon the economic condition of the Mississippi Valley; but no one who knows anything about our experience under that treaty will for a minute hesitate in giving evidence that the Mississippi Valley has lost industry after industry by reason of the handicap the Panama Canal has imposed upon the Mississippi Valley.

Mr. LEWIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Illinois?

Mr. DICKINSON. I yield.

Mr. LEWIS. Does not my able friend from Iowa concur with me in the thought that if those former representatives from the Mississippi Valley, which he and I and our colleagues now represent, were today called on to vote, with the information they now have, since casting their first vote, they would vote directly adverse to the way they then voted?

Mr. DICKINSON. I think without any question every one of them would vote adversely.

Now, the advocates of the treaty come in here and say, "The treaty has been recommended by the different parties." Oh, yes; but who had examined these treaties with a microscope then to find out whether or not there was any agreement with reference to the diversion, and whether or not we were making Lake Michigan an international lake, and whether or not we were properly protected so far as the future is concerned?

The advocates of the treaty say, "We have written into the treaty the very provision of the Supreme Court decision."

Mr. LONG. Mr. President, in connection with what the Senator is saying, the distinguished Prime Minister of Canada and the Canadian Senator from whom the Senator from Illinois [Mr. Lewis] quoted this afternoon said they were opposed to the treaty from a Canadian standpoint and had announced against it even after it was signed, perhaps not dreaming that it could have any such things as it has in it; and that was just the viewpoint of some of us here in the United States. We did not know but that this treaty was all right, never once dreaming that there were such provisions in it as these gentlemen from Canada found to be in it, which caused them to turn and favor it, and which consequently would cause us to know that we could not vote for it.

Mr. DICKINSON. That is exactly correct.

The friends of the treaty say that the documents provide ample diversion. Under the diversion rights in the treaty of 1909 Canada, as I understand, would consent to have a diversion of 10,000 cubic second-feet; but at that time our representative, the distinguished Mr. Root, said that he would under no circumstances give Canada the right to control the diversion of our water within our own borders. That principle is still involved here, but on account of the Supreme Court decision Canada negotiated for the purpose of writing into the treaty the terms of that decision.

Mr. President, I try to be law-abiding. I believe that we can settle our own difficulties; and if we find there is not sufficient diversion there in the future, I am willing to see our people take it up with anyone in the United States who is interested in it. I do not, however, want somebody representing a foreign country sitting on that board of diversion; and that is what I object to in this treaty. I do not want to have to go over in Canada and negotiate with someone who has some other interest than the interest I represent; but I am perfectly willing to deal with every American citizen in the United States in working out an adjustment along those lines.

Mr. LONG. I beg the Senator's pardon, but he would not have to go over in Canada. He would have to go to England to deal with His Britannic Majesty. This treaty is made by Great Britain, through the King of England, King George V.

Mr. DICKINSON. I hope they would at least extend us the courtesy of sending someone over here to negotiate with us somewhere near our own border.

Mr. LONG. It is dangerous to let them come over here, because every time they come they get more than they asked for before they came.

Mr. DICKINSON. There is a great deal of truth in that suggestion.

I know it is said here that the diversion at Chicago is sufficient, and the supporters of the treaty talk about lake levels. It is a peculiar thing to me that they talk about lake levels and how much water we have taken from the lakes, and yet, as I understand, there was one of the highest lake levels in Lake Michigan and in the other Great Lakes within the last year or two that there has been in a great many years. All that time we have been taking out more water than it was said we ought to take, and the claim is made that we have been depriving others of their water rights.

Mr. LEWIS. Mr. President, if I may be pardoned—

Mr. DICKINSON. I yield.

Mr. LEWIS. As the question is not unfamiliar to me, as I previously remarked in addressing the Senate, having taken part in the litigation, it may interest the Senator to know that the history of the development discloses that 6 inches to and fro, up and down, however the matter has gone, has been the limit of the change in the lake levels. It has never exceeded 6 inches, regardless of what the diversion was. Something protected it and always restored it.

Mr. DICKINSON. That is my understanding, that regardless of the diversion the minimum has been 4 inches, and that there never has been a maximum of more than 6 inches in the variation of the lake level. The rest of it is what may be called the seasonal variation that comes and goes with excessive rainfall and slack rainfall; and those periods run in cycles of some 7 years, perhaps after the old 7-year cycle of the Bible.

I want to go a little bit further. It is unfortunate for us that there happened to be a Supreme Court decision just about the same time the negotiation of this treaty was begun. That Supreme Court decision was unfortunate; but, growing out of that decision, we ought not to permit to be written into a treaty a hidebound agreement that may absolutely bar any particular benefits, if there are any benefits to be gained from this treaty, accruing to the section from Chicago west.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. LONG. This Supreme Court decree was between two different provinces or sovereignties of the United States.

Mr. DICKINSON. That is correct.

Mr. LONG. To say that because I sue you for something some third party has a right to come in and have himself made a party to that decree is ridiculous. Because the United States says it is going to allow Chicago so much water, Canada has no right to come in and say, "Now, since the United States has decided that it is going to allow Chi-

cago so much water, we will just take the remainder of the water that Chicago does not get."

At New Orleans the Mississippi River flowing down there floods us at one season, while we have not enough water to navigate the river at other seasons. Canada has not any business taking away from us the water we have because Chicago had a lawsuit with the United States. It is a ridiculous proposition to make all parties bound by it.

Mr. DICKINSON. That is my contention.

One of the best arguments against the diversion provision of this treaty is the fact that heretofore, for a great many years, there has been diversion in excess of 7,000 cubic second-feet, and as high as 12,000 cubic second-feet. I never heard anyone say that there was a surplussage of water by reason of that diversion's going down the Hennepin Canal. I do not believe that the Hennepin Canal was ever bothered by any excessive diversion. As a matter of fact, it is on account of the diversion, and the prospect of its being continued, that the whole water supply of the Mississippi Valley was developed. It is an extensive system, but I do not believe we ought to run any danger of its being imperiled on the morrow for lack of water or for lack of sanitation, either one; and, if I read the engineers' reports aright, the point they dwell on is that this whole matter is at least experimental; that it cannot be definitely determined until 1936, and probably until 1942, when the new sanitation works are to be completed.

I do not know how long it will take, but I do know that if we cannot be sure until that time, certainly we ought to try to see that there is sufficient diversion written into this treaty so that we will not run the risk of imperiling the whole Mississippi River improvement system, because Chicago is the natural market for practically all our products in that section.

What we want to do is to have the freight rates from Chicago west influenced by water transportation just the same as all freight rates have been influenced by water transportation in the past. That is what is involved in this whole program so far as the Mississippi River is concerned.

I do not yield to any man in my sincere effort here to protect the interests of the farming population of my State. The farmers are the support, the lifeblood of the whole economic system in that area of the country, and I would not think of casting a vote here that would in any way imperil their rights. But suppose I do unwittingly cast such a vote, and on the morrow, instead of its being for their interest, it should turn out, as was the case in connection with the Panama Canal, to be against their interest. Therefore, I must have this definite assurance before I am going to cast my vote in favor of a treaty of this kind; and we find growing out of this report the conclusion right along that this question cannot be definitely decided until these experimental stages shall have been passed.

Here is the report of the Chief of Engineers to the Secretary of War, dated December 6, 1933, for transmission to Congress under the provisions of the act of July 30, 1930:

While the district engineer finds that an annual diversion of 1,500 cubic feet per second, increased by domestic pumpage is ample to provide an adequate flow to meet all requirements of lockage, seepage, leakage and evaporation on the waterway, he concludes that the determination whether this flow will provide a flow suitable from a sanitary standpoint for a commercially useful waterway can be made only by experience after the sewage-treatment plants at Chicago are completed.

What is the difference whether there is not enough water or whether there is water that is so contaminated that it cannot be used? There is no reason why we ought to deadlock ourselves, bring the benefits to a certain point and then bar them from the great farming producing area to the west of Chicago, which is to be benefited only in case this canal can be taken to the Mississippi and to its tributaries.

Further he points out that the weight of expert testimony is to the effect that the effluent from the sewage-treatment plants will be inoffensive, but that "the program is on such an unprecedented scale that such predictions must contain

an element of uncertainty"; it is that element of uncertainty that enters into this thing—

And that no reliable process of calculation can predict the effect of raw sewage in storm-water run-off and of accumulated sludge deposits.

These reports have been referred, in accordance with law, to the Board of Engineers for Rivers and Harbors. Attention is invited to its report herewith concurring in general with the views and recommendations of the reporting officers.

This is from the Board of Engineers. The Board report states:

The indirect needs of such a waterway in the matter of securing satisfactory sanitary conditions for those aboard vessels or employed at terminals cannot be determined until the waterway has been fully completed and the diversion limited to 1,500 cubic feet per second for a sufficient period of time to observe the conditions that may then exist.

Suppose the conditions shall then exist, and shall prove unsatisfactory. We will then have arranged with Canada, will have completed this treaty, and barred the benefits from all of the Mississippi Valley.

As a matter of fact, I do not think we can afford to adopt any such program, and that is why, if there shall not be a reservation attached to this treaty with reference to diversion, I shall vote against its ratification. The Senator from Missouri has presented a diversion reservation, and I shall vote for that reservation. I hope it will be agreed to by the Senate. If it shall be agreed to, then this treaty will, to some extent, protect the interests of the Mississippi Valley.

Mr. President, here is a further reference. These reports, I think, have practically all been put in the Record, but I want to call special attention to this point: In another report signed by General Markham he says:

It does not appear possible to arrive at a conclusive determination whether this flow will afford suitable sanitary conditions on the waterway after the sewage purification plants at Chicago have been completed and placed in operation.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. LONG. I understand that there is a good deal of argument to the effect that they are going to ship automobiles through this canal over to England, and I am reminded of the fact that they are already shipping them from English provinces back over here. That would make it a little simpler to get them to Detroit from Ireland, rather than to build them in Detroit.

Mr. DICKINSON. When we get through with the delegation of tariff power, we will not know whether commodities will be shipped in or are to be shipped out. It is my impression that they will be shipped in most of the time.

Mr. LONG. I was not present when the Senator from New York [Mr. WAGNER] spoke, but I had a part in trying to assemble some figures on the matter, and I have been told that the Senator from New York has pretty well demonstrated that it will cost about 15 cents a bushel of the taxpayers' money to ship wheat through this supposed-to-be canal 6 or 7 months of the year, and they will save 3 or 4 cents. We had better give them a dime a bushel and call the project off, for then we would not have to give away Lake Michigan, and give away our money, and go over to England and trade with them.

Mr. DICKINSON. Let me suggest this with reference to Iowa products. Our principal products are not wheat, they are usually meats, and meats cannot be put on slow, long-time routes. They usually have to be transported quite promptly. Chase & Sanborn may have dated coffee; and if we get these cheap routes, we may have to have dated hams, so that purchasers will know when they were cured; otherwise they may go by slow transportation on water and might not be very good when they reach their destination.

I think there is sufficient uncertainty in this whole program to warrant us in hesitating. It is said that if we adopt a reservation, Canada will not accept it. If we cannot protect our own interests, then let Canada do as she wants to do as to whether or not she should accept it.

I happen to know that this was the most controversial feature of the entire treaty. It was the feature which delayed the negotiations the longest. It was the feature they worked over for months and months, and finally the Canadian representatives took advantage of the fact that there was a decision of our Supreme Court and they wrote that decision into the treaty, and expect us to ratify the treaty because the Supreme Court of our own country rendered that decision.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. CLARK. Does the Senator have any information as to whether any time was consumed in the consideration of article VI of the treaty, the article which authorizes an alternative route north to the Ottawa River and thence to the St. Lawrence?

Mr. DICKINSON. My understanding is that there is nothing in the treaty which prevents their doing that.

Mr. CLARK. There is a specific authorization in article VI which would permit Canada to do that very thing.

Mr. DICKINSON. Oh, yes. They say the reason why they will not do it is that they will have to dig through some stone. I do not know how hard the stone is, but they say it is impossible because they would have to dig through a bank of stone. We know, however, that we can dig through stone with electric drills.

Mr. CLARK. The President's message contains the prediction that if this treaty shall not be ratified, an all-Canadian route will be established, and that is specifically the all-Canadian route which has always been discussed in Canada.

Mr. DICKINSON. That is correct.

Mr. LONG. Mr. President, that does not mean anything except that America is going to help Canada construct a canal up there. The principle is the same, whatever we do; America is going to contribute six or seven or eight hundred million dollars to build Canada a canal, so it is as broad as it is long. We have just decided that we will have to give Canada six or seven hundred million dollars of American money to build something in Canada with Canadian labor and with Canadian materials and with Canadian engineers, so that it makes no difference. If that is not in the treaty, all they have to do is to come down and get it in.

Mr. DICKINSON. The Senator thinks we are in a frame of mind of absolute surrender?

Mr. LONG. Oh, no; not of absolute surrender. That is not the case. We have been looking for some way to give England something ever since we had the World War and even before that, on the heels of the fact that they came here and told us they were not going to pay the money they borrowed during the war, after we had all the fanfare and big headlines that they owed us several billion dollars. They quit paying; and just about the time they quit paying, we decided that if they would not pay us, we would give them five or six hundred million dollars more of American money in order to show that we were not angry.

Mr. DICKINSON. In other words, the Senator thinks we have gotten into a frame of mind where we are almost ready to admit we owe them something.

Mr. LONG. Absolutely, when they come here and tell us they are not going to pay something back. The fact that they have not paid one debt is why we ought to go in and pledge more money. The next thing will be that they will want a landing site on the Potomac River.

Mr. DICKINSON. Continuing to read from the report of General Markham, the engineer, I quote as follows:

The situation is one which unquestionably demands a remedy, but the remedy should, in my opinion, be afforded first by the purification of the sewage, and second, if that proves inadequate, by a moderate and reasonable draft of water from Lake Michigan.

Mr. President, that being the case, there is an uncertainty here which involves the whole Mississippi Valley. It is an uncertainty that is very far-reaching. It is an uncertainty that will impose the same type of handicap on us that was imposed on us in the case of the Panama Canal; and I

wish to say that I do not believe those of us from the Mississippi Valley can afford to vote to ratify this treaty so long as that uncertainty exists, as it does exist, by the terms of the treaty. They have written it into the treaty. They have said that they want control, that they want to be on the board of arbitration if we ever need any more water. If an emergency exists, we cannot decide it alone—we have to call into conference the authorities from the other countries. That being the case, I believe I should run the same danger in voting to ratify this treaty as did the splendid men in Congress from Iowa when they voted for the Panama Canal.

We had able men in Congress at that time—G. N. Haugen, of the Fourth District, who was here for so many years; Robert G. Cousins; John A. T. Hull; William P. Hepburn; Walter I. Smith; Lot Thomas; David B. Henderson, who was Speaker of the House of Representatives. Those men were just as sincere in their service as anyone could possibly be, but they were deceived as to the benefits of that canal accruing to the Mississippi Valley. As a matter of fact, I believe we would be deceived if we voted for the ratification of this treaty without some definite reservation as to diversion; and therefore it is my hope either that the treaty will be defeated, or, if it shall not be defeated, that the diversion reservation will be agreed to by a vote of the Senate and attached to the treaty.

Mr. President, I have said all I desire to say by way of comment on the treaty at this time.

Mr. LEWIS. Mr. President, before he takes his seat, may I invite my able friend from Iowa to note that under the terms of the treaty the board, the source to which we go for appeal respecting any question of the treaty, is to be comprised of three representing Canada and three of the United States, giving Canada a veto, three against three, with nothing done as far as the United States is concerned, if the decision be adverse to the United States, with no privilege provided as against this tie for the protection of the United States.

Mr. DICKINSON. I am very glad to have the Senator make that statement. I wish to say that it is offensive to me that matters which should be within our own family, matters that may affect the diversified interests of our representative States, matters over which we should not have to consult anyone except those who compose the machinery of our own Government, are by this treaty put into the hands of the body the Senator from Illinois [Mr. LEWIS] has so ably described; and therefore we must, with these divergent interests, consult an outside party, and, as the Senator says, give them equal representation with our representation in the settlement of our own dispute.

Mr. LEWIS. Mr. President, that is why I assert that the able Senator from Iowa and myself, and, I am sure, the other Senators who are discussing the question on the floor, find ourselves greatly mystified as to how any American could ever have voted to send such a paper to the Senate as a representative of American interests.

Mr. PITTMAN. Mr. President, I wish to make a few remarks, but first I will ask if other Senators are desirous of speaking at this moment.

Mr. CLARK. Mr. President, I have a few remarks, but I will make them after the Chairman of the Committee on Foreign Relations shall have concluded his remarks.

Mr. PITTMAN. Mr. President, the matters I am going to discuss now are, I will say, undoubtedly more for the Record than they are for the immediate benefit of the Senate. It is possible, however, that some of the Senators who have not studied the question may desire to study it. There has been a vast amount of information furnished to the Senate by the President. Possibly the reason it has not been studied more earnestly is because of its being so voluminous.

I wish to say, however, that the work done in the preparation of the reports that accompanied the President's messages reflect great credit, in my opinion, upon those who have prepared the data. Every question that has ever been

asked on the floor of the Senate, or through the press, or otherwise, is certainly answered somewhere in some of these reports. I make that statement whether or not Senators agree with the answers given. I have attempted to have some of the statistics which are contained in the reports, and which undoubtedly are official, brought together in the form of exhibits, which I have before me, and which can be reviewed very quickly by any Senator who desires to obtain specific information.

The first proposition I shall take up is the effect that the construction of the seaway will have on the railroads of the United States. It was admitted by practically all the presidents of the western railroads in the hearings in 1930, before the subcommittee of the Committee on Foreign Relations that the construction of the St. Lawrence seaway would be of benefit to the western sections of the country. I will place these data in the RECORD when I come to identifying them.

On the other hand, the railroads in the eastern zone of the United States have always opposed the treaty. Their opposition has been natural. They have contended that it would divert from them to the waterway a certain amount of traffic. They have been supported in their opposition by the large ports on the Atlantic seaboard, particularly New York, Boston, Philadelphia, and Baltimore. Those ports have opposed the building of the St. Lawrence seaway on the ground that it would divert from them traffic which now moves in export trade.

The question is, Do the statistics sustain their opposition and their belief? I sincerely say to the Senators that my study of the statistics, of the movement of trade, of the volume of trade, the points of origin, and the points of destination, convinces me that the railroads of the eastern zone are in error.

Mr. WALSH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Massachusetts?

Mr. PITTMAN. I yield.

Mr. WALSH. Does it not depend upon how much trade is diverted from the railroads through the waterway?

Mr. PITTMAN. It does; and also where it is diverted.

Mr. WALSH. And is it not claimed that the volume of trade that will be carried through the waterway will be very large?

Mr. PITTMAN. Yes; it is so claimed. The volume of trade that will be diverted through the proposed waterway may be 8,000,000 or 10,000,000 tons over what is now carried through the present waterway.

Mr. WALSH. Is that to be taken away from the railroads?

Mr. PITTMAN. In some cases part of that will be taken away from the railroads.

Mr. WALSH. And does the Senator contend that we ought not to be concerned if it means a lowered volume of transport to the railroads?

Mr. PITTMAN. I think it should fairly be said that a part of it will be taken away from the railroads, but the record discloses that 80 percent of the traffic now moving over that waterway, where it has only a 14-foot channel through the canal, moved to the big ports I have just named.

Mr. WALSH. Mostly New York.

Mr. PITTMAN. Naturally, New York being the largest port. It moves to those big ports, and from those big ports it is redistributed throughout the country, only 20 percent of it going into foreign trade. If that trade goes to those ports, then, so far as the ports are concerned, they would only lose 20 percent of the trade. So far as the railroads are concerned, in the redistribution of that trade from Boston, New York, Philadelphia, and Norfolk toward the interior, the line of demarcation as to how far it would go is plainly marked by reason of the freight rates, we will say, from Chicago and St. Louis to the ports. The line of demarcation, as to how far it would be shipped back into the interior of Massachusetts and Maine and New Hampshire and Vermont, and even parts of Pennsylvania, parts of West Virginia and Virginia, is well marked, and I have statements

in the exhibits before me showing that if 4 percent of the traffic, for instance, that is now carried all-rail to Boston, New York, Philadelphia, Baltimore, and Norfolk, were taken away from the railroads and carried through the seaway, 80 percent of that which was taken away from the railroads would come back into the seaports and would be carried by the railroads for distribution back to the interior.

Mr. WALSH. Eighty percent of that 4 percent?

Mr. PITTMAN. No; 80 percent of the entire traffic. Eighty percent of the 4 percent means the same thing. Eighty percent of the 4 percent would go by water to the ports, and then from the ports would be distributed by rail to the country in the interior. I have all the statistics in actual tonnage figures so Senators can make their own estimates therefrom. Anyone interested in the matter may find the figures useful.

Mr. WALSH. The Senator will put them in the RECORD, of course?

Mr. PITTMAN. I will put them in the RECORD later, so that they may be examined.

Mr. CLARK. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Missouri?

Mr. PITTMAN. I yield.

Mr. CLARK. I should like to suggest that the treaty has now been before the Senate for almost 3 months. The Engineers' report has been before the Senate for some 6 or 8 weeks. While I shall be glad to read the Senator's summary which has been prepared, it seems to me to be very late in the day to put in a summary calculated to influence the votes of Senators on the question.

Mr. PITTMAN. I realize that the Senators have been extremely busy during this session, having been engaged in work on committees and otherwise, and the fact that they did not read the reports themselves was not due to the fact that they were lazy, but realizing how busy they have been I simply had the statistics prepared for their benefit.

Mr. CLARK. I will undertake to say that I have read as much of the report as has the Senator from Nevada, and I also read something in the report which seemed to me to be entirely at variance with the version that the Senator gave thereof the other day.

Mr. PITTMAN. I will admit that the Senator from Missouri has been very active and industrious in his study of the question. Of course, there are a great many other Senators who apparently have not had the time to do so, and for their benefit I am trying in my humble way to abbreviate this big record. Whether I have what the Senator wants—

Mr. CLARK. I am sure that will be very helpful to all Senators, but I regret the Senator did not do it in time to be of more importance in connection with the arguments and the votes to be cast.

Mr. PITTMAN. I am really sorry that I did not realize that Senators would not have time to read the report in full.

Mr. LONG. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Louisiana?

Mr. PITTMAN. I yield.

Mr. LONG. As I understand, the Senator is undertaking to put it in language that Senators can understand?

Mr. PITTMAN. Most Senators can understand it, but I am really asking to place it in the RECORD for the benefit of those who will not try to understand it.

Mr. President, I want to hasten to a conclusion because I know the Senator from Missouri [Mr. CLARK], is going to follow me. I realize that there is not a sufficient number of Senators present at this time for the information to have any effect upon the vote. However, it will be in the RECORD, and I consider it of great value to anyone who may desire to read it.

Mr. WALSH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Massachusetts?

Mr. PITTMAN. I yield.

Mr. WALSH. I think it is important for the opponents of the treaty to know where they can obtain the informa-

tion as to the large volume of freight to be conveyed through the proposed waterway. If the volume is not to be large, then the alternative is that there will be such a small volume that the expense will not be justified.

Mr. PITTMAN. I think there is no question that a large volume will go through the waterway and that a large portion of it will be diverted from the eastern zone railroads. We might as well be frank about it. That argument has been made against the treaty. I believe, however, that it has not been taken into consideration that 80 percent of the shipments coming through in that way will go to the same ports, and the railroads will still have an opportunity to distribute a great portion of them inland.

Mr. LEWIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Illinois?

Mr. PITTMAN. I yield.

Mr. LEWIS. With the Senator's consent, I must say that the last statement of my able friend the Chairman of the Committee on Foreign Relations rather mystifies me. Does my able friend contend that it is his belief that the interior of our country will ship its material out of the waterway by way of Montreal and Canadian waters, down the Atlantic to the Atlantic ports; there to be taken up again by the railroads and brought back into the very territory from which it was brought forth?

Mr. PITTMAN. That may sound mysterious to the Senator, but there is a certain portion of the shipments that will be handled in just that way.

Mr. LEWIS. Upon that theory, why not ship direct by railroad to the interior points instead of shipping to the Port of New York and then inland again?

Mr. PITTMAN. Because it happens to be cheaper to go by water to the eastern ports and then ship back a certain distance by rail, perhaps 100 or 200 miles.

Mr. LEWIS. The Senator bases it upon the theory that it will be less expensive to go the more circuitous route by water than to go the direct route by rail?

Mr. PITTMAN. Yes.

Mr. WALSH. In other words, it will develop our coastwise trade?

Mr. PITTMAN. Yes.

Mr. WALSH. That trade is now apparently forgotten. I am glad to have the Senator bring out that point.

Mr. PITTMAN. Mr. President, I have had this report prepared by traffic experts, and everything I have presented is taken from the report.

There are eight prominent ports from Maine to Virginia, inclusive, which might be affected. They are, in the order of their geographical location, Portland, Maine; Boston, Mass.; Providence, R.I.; New York, N.Y.; Philadelphia, Pa.; Baltimore, Md.; Norfolk, Va.; Newport News, Va.

At this point I ask unanimous consent to insert in the RECORD a tabulation marked "Exhibit A", which shows the total tonnage, the foreign tonnage, the intercoastal tonnage, and the coastwise tonnage that has moved to and from these North Atlantic ports for the 10-year period, from 1923 to 1932, inclusive.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. PITTMAN. The authority for these figures is the latest commerce report on the Great Lakes-St. Lawrence project, submitted by the President of the United States, and now printed as a Senate document.

The total business to, from, and through these ports, for the years 1923 to 1932, inclusive, amounted to 1,211,000 tons, in round figures. This tonnage classifies as follows, over the 10-year period:

	Thousand tons
Coastwise commerce.....	699
Intercoastal commerce.....	78
Foreign commerce (and by foreign commerce is meant export and import traffic).....	422

This shows an annual average foreign tonnage for the 8 ports of approximately 42,000,000 tons, or if divided equally

amongst the ports, would be an average annual tonnage per port of approximately 5,000,000 tons, in round figures.

Now these figures are very enlightening and they show without question that if these ports lost all of their foreign business that the loss would be ample to justify the unified opposition of their Senators to the ratification of the existing St. Lawrence Treaty. No one has claimed that shippers in this section will lose all of their foreign commerce, but even assuming that they lost half of their foreign commerce, they would still have sufficient cause for anxiety. One half of the foreign commerce of these ports would mean an annual loss of 21,000,000 tons for the eight ports as a group and a loss of approximately two and one half million tons per port. This is a considerable loss, and unless the St. Lawrence project demonstrated that it would afford a compensating gain, no one could criticize these Senators for their opposition.

What is the compensating gain?

In the first place, the completion of the St. Lawrence project, by the ratification of the existing treaty, will open up 3,576 miles of new coastline to the United States. The existing coast shore line of the United States is divided as follows:

	Statute miles
Atlantic Coast.....	5,565
Gulf Coast.....	3,641
Pacific Coast.....	2,730
Total.....	11,936

Authority for the figures: United States Coastal and Geodetic Survey, Department of Commerce.

Opening up the St. Lawrence project will add at once an additional shore line of 3,576 miles, or increase the present shore line by approximately 30 percent.

The domestic coastwise business of these eight ports on the North Atlantic coast, as shown by the tabulation which I have heretofore inserted in the RECORD, amounts to an average annual tonnage of almost 70,000,000 tons. The intercoastal business amounts to an average annual movement of approximately 8,000,000 tons, an average annual total for the two of 78,000,000 tons.

Now, no one seriously doubts that the controlling reason for this tremendous domestic coastwise and intercoastal tonnage is the fact that the tonnage is handled by water at a low transportation cost. By adding 3,576 miles of additional coastline, is it not reasonable to assume that these cities might possibly gain 30 percent in their domestic water-borne traffic? This would mean a gain in that class of business of 23,000,000 tons. If this was a fact, could not these port cities easily afford to sacrifice somewhat on export and import business? It is a matter of common knowledge that the American market of the United States is the most active and pays the highest price per unit for merchandise of any country on the face of the globe. Is it not perfectly clear that a gain of such an amount in domestic trade would more than offset the most pessimistic prophesy of loss in the foreign trade for these eight cities?

In the second place, the completion of the St. Lawrence project will open up 30 American cities and 30 domestic markets which may be served by the ports of the North Atlantic at much more favorable transportation costs than now exist.

The consuming population of 25 of these cities in 1930 was in excess of 8,000,000 people; the value of the manufactured products of 25 of those cities was in excess of \$10,000,000,000.

This compares with 21 ports on the Atlantic coast, Maine to Florida, which in 1930 boasted of 13,000,000 people and almost \$12,000,000,000 of manufactured products.

With the Gulf group and its 11 ports, with a population in 1930 of 1,120,000, and a value of manufactured products of \$411,000,000.

With the Pacific coast cities, boasting 15 ports, a population of 3,000,000, and a value of manufactured products of \$2,000,000,000.

The authority for these figures is the latest commerce report heretofore referred to.

From the foregoing, it can be seen that this new trade territory, which will be opened up by the completion of the St. Lawrence project, is placed under the very nose of these North Atlantic ports, by lower transportation costs, which I will hereinafter show. It opens up a trade territory for the North Atlantic group that is almost as large as the North Atlantic group itself. It is a trade territory that produces 20 times the manufactured products of the Gulf group and 5 times the manufactured products of the Pacific coast group.

These two great areas of production and consumption, the North Atlantic group and the interior Middle West, are today widely separated because of ever-increasing freight rates. To illustrate this point, in 1918 the first-class rate from Boston to Duluth and the Twin Cities, all rail, was \$1.15. That rate today is \$2.17, an increase of 88 percent. The rate in 1918 from Boston to Chicago and Milwaukee was 75 cents, all rail. That rate today is \$1.54, an increase of 105 percent. The rate from New York, in 1918, to Duluth and the Twin Cities, was \$1.15. That first-class, all-rail rate today is \$2.12, an increase of 84 percent. The rate in 1918 from New York to Chicago was 75 cents, all rail, first class. That rate today is \$1.52, an increase of 102 percent. The authority for the rates quoted will be shown on an exhibit which I will hereinafter introduce into the Record. Boston and New York are shown as typical of the advances throughout the entire eastern territory. The first-class rate is used because it is the base rate. All other rates carrying manufactured products move on a percentage relation of this base rate and represent the same or larger percents of advance.

With the ratification of the existing treaty, and the completion of the seaway, these two great areas may serve each other—if the existing coast-to-coast rates are to be taken as a criterion—at a transportation cost less than 50 percent of the existing rail transportation cost.

In the third place, in the St. Lawrence tributary area, in excess of 42,000,000 people reside, actual American consumers, the most prolific users of products of every character known on the face of the globe. I say again, in excess of 42,000,000 consumers, 34.6 percent of all the population of the United States, made immediately available to the north Atlantic coast with the completion of the seaway project. Why, in the Atlantic trade area, the oldest section in the United States, there are only 50,000,000 people, or approximately 41 percent of the population.

The value of the manufactured products of the St. Lawrence area is almost \$28,000,000,000, or 39.7 percent of the value of all the manufactured products of the United States. Even the Atlantic coast area only boasts of \$33,000,000,000 of manufactured products, or approximately 46.9 percent of the total of the United States.

Now, here are these two great areas, boasting of 34.6 and 41 percent, respectively, of the population, and boasting, further, of 39.7 and 46.9 percent, respectively, of all the manufactured products of the United States. I say again, here are these two great areas, that under existing conditions are largely divorced one from the other, which can be wedded to each other industrially with the completion of the St. Lawrence project.

You Senators along the Atlantic coast, by voting against ratification of this treaty, are saying, in fact and in truth, that there shall be a complete divorce of these two great areas in perpetuity. You, by your action, are denying to your constituents access to the greatest manufacturing area on earth, the right to serve 34.6 percent of the population of this country. To say that your action is astounding is putting it mildly.

The authority for the figures quoted is the same commerce report hereinbefore referred to.

At this time, Mr. President, I should like unanimous consent to insert in the Record a tabulation marked "Exhibit B."

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit B.)

Mr. PITTMAN. This is a tabulation showing the first-class all-rail rates at the present time which apply between these 8 North Atlantic ports and 8 interior ports, as follows: Cleveland, Ohio; Toledo, Ohio; Detroit, Mich.; Chicago, Ill.; Milwaukee, Wis.; Ashland, Wis.; Superior, Wis.; and Duluth, Minn. The average of the all-rail first-class rate from the 8 ports on the Atlantic seaboard to the 8 interior ports located on the Great Lakes is \$1.66, or \$33.20 per ton. As I have stated before, first class has been used because it is the base rate. All other rates moving manufactured products move on a percentage relation of this base rate, and had any of the other classes been used the same relative picture would have been developed.

At this point, Mr. President, I should like to ask unanimous consent to insert in the Record a traffic memorandum which shows the extent of territory along the Atlantic seaboard which may use the St. Lawrence project at a lesser transportation cost than now exists via all-rail transportation.

The PRESIDING OFFICER. Without objection, it is so ordered.

The memorandum is as follows:

Traffic memorandum showing extent of territory along Atlantic coast which may utilize St. Lawrence route to and from Middle West at a lesser freight cost than now exists via rail transportation.

Comparative rates, first class, all rail against St. Lawrence

Between Duluth and representative interior points	First-class (per hundredweight)		Port	Saving per hundredweight
	All rail	Via St. Lawrence (estimated)		
Bangor, Maine.....	235	164	Portland.....	71
Calais, Maine.....	245	184	do.....	61
Manchester, N.H.....	217	146	Boston.....	71
Montpelier, Vt.....	217	175	do.....	42
Worcester, Mass.....	217	142	do.....	75
Providence, R.I.....	217	142	do.....	75
New London, Conn.....	217	158	do.....	59
Utica, N.Y.....	191	179	New York.....	12
Harrisburg, Pa.....	203	153	Baltimore.....	50
Trenton, N.J.....	212	139	Philadelphia.....	73
Frederick, Md.....	205	146	Baltimore.....	59
Washington, D.C.....	210	143	do.....	67
Richmond, Va.....	218	153	Norfolk.....	65
Grafton, W.Va.....	187	187	Baltimore.....

Authority for rates: I.C.C. Docket 15879, 164 (I.C.C. 314); I.C.C. Docket 17000-2, (164 I.C.C. 1).

Comparison of first-class rates all rail versus St. Lawrence rates between Duluth, Chicago, and eastern ports

Between—	And Duluth, Minn. (first class)			And Chicago, Ill. (first class)		
	All rail	St. Lawrence (estimated)	Saving	All rail	St. Lawrence (estimated)	Saving
Portland, Maine.....	\$2.22	\$1.00	\$1.22	\$1.59	\$1.00	\$0.59
Boston, Mass.....	2.17	1.00	1.17	1.54	1.00	.54
New York, N.Y.....	2.12	1.00	1.12	1.52	1.00	.52
Philadelphia, Pa.....	2.12	1.00	1.12	1.45	1.00	.45
Baltimore, Md.....	2.10	1.00	1.10	1.40	1.00	.40
Norfolk, Va.....	2.26	1.00	1.26	1.51	1.00	.51

The first-class saving range shown above is from Duluth, \$1.10 to \$1.26; from Chicago, \$1.40 to \$1.59.

Referring to eastern rail distance, scale shows that these figures permit a range of rail haul as follows:

Distance freight may be hauled under east rail scale (miles):

From Duluth:	First-class saving
480.....	\$1.10
500.....	1.12
540.....	1.17
580.....	1.22
620.....	1.26

Distance freight may be hauled under east rail scale (miles):

From Chicago:	First-class saving
40.....	\$0.40
55.....	.45
75.....	.51
80.....	.52
90.....	.54
110.....	.59

(Authority: Rates prescribed by I.C.C. in Docket 17000-2; 164 I.C.C. 1; Docket 15879; 164 I.C.C. 314.)

Statement showing distances in statute miles

TABLE A

Between—	And Portland, Maine	And Boston, Mass.	And New York, N.Y.	And Philadelphia, Pa.	And Baltimore, Md.	And Norfolk, Va.	Total
Seattle.....	7,201	7,164	6,953	6,921	6,809	6,734	41,842
San Francisco.....	6,314	6,271	6,069	6,027	5,975	5,847	36,493
Los Angeles.....	5,932	5,888	5,677	5,645	5,593	5,365	34,100
Total.....	19,447	19,323	18,689	18,593	18,437	17,946	112,435
Average.....	6,482	6,441	6,229	6,198	6,145	5,982	6,246

TABLE B

Duluth.....	2,725	2,773	3,017	3,189	3,380	3,237	18,321
Chicago.....	2,631	2,680	2,924	3,096	3,287	3,143	17,761
Cleveland.....	1,915	1,964	2,178	2,380	2,571	2,427	13,435
Detroit.....	1,999	2,048	2,292	2,464	2,655	2,511	13,999
Total.....	9,270	9,465	10,411	11,129	11,893	11,318	63,486
Average.....	2,317	2,366	2,603	2,782	2,973	2,829	2,645

Average rate representative, fifth class. Commodities moving between points in table A:
 Average rate, 1927, 1928, 1929..... 50
 Rate as of 1932..... 45.5

Authority for rates: Thackeray Min. Rate Tariff Nos. 4 and 5.
 Authority for distances: U.S. Hydrographic Office.

Below is illustrated and translated into a comparative class scale water-transportation rates on the order of package freighters now operating on the Great Lakes on the assumption that joint rates water-rail may be published.

No joint rates have been published intercoastal. These rates are fluctuating contract rates, the measure of which is entirely dependent upon the conditions at the time the contract is made.

The result has been that freight has moved intercoastal at a much lower level than figures herein would indicate. By the same token, if rates via St. Lawrence are made on fluctuating-contract basis, the general level of those rates will be lower on the average than the constructed scale herein indicates, with a wider expanse of territory involved than the maps indicate.

Constructed class-rate scale using 50-cent average fifth-class rate as a base and constructing other classes on class relationship used by Interstate Commerce Commission (164 I.C.C. 1)

	Class 1	Class 2	Class 3	Class 4	Class 5	Class A
Class relationship percentage.....	100	85	70	55	37.5	45

Constructed scale using 50 cents as fifth class

	Class 1	Class 2	Class 3	Class 4	Class 5	Class A
Rates applying between points in table A.....	132	112	92	73	50	59

The foregoing translation is for an average distance of 6,246 miles. Average sailing time 22 days.

Obviously with that scale as representative of hauls intercoastal, then for the water service between upper Lakes ports and Atlantic coast points, Portland, Maine, to Norfolk, Va., inclusive (table B) contemplating an average haul of 2,645 miles and 10 days sailing time, a scale not in excess of the following would be a conservative estimate:

	Class 1	Class 2	Class 3	Class 4	Class 5	Class A	Dairy products
Between upper Lakes and Atlantic coast (per hundredweight).....	100	85	70	55	37.5	45	Percent 60

Authority: Rates, Thackeray Minimum Rate Tariffs Nos. 4 and 5. Distances, Hydrographic Office, U.S. Navy. Class relationships, 164 I.C.C. 1, Docket 17000-2.

Mr. PITTMAN. Only the balance of the memorandum is an estimated scale that I have had prepared, translating into a so-called "railroad-rate scale" the best estimates that can be made of the charges that will become applicable between these eight North Atlantic ports, on the one hand, and the ports on Lake Erie, Lake Huron, Lake Michigan, and Lake Superior.

I direct the attention of the Senate to the fact that the average all-rail rate between the ports of these two great areas today is \$1.66 per hundred pounds, first-class, and further to the fact that the best estimates of a water rate, first-class, that might apply between these ports would be \$1 per hundred pounds.

I have gone to some pains to verify whether the estimate of \$1 per hundred pounds, first-class, ranging to 37.5 cents for fifth-class, is a reasonable estimate; and every test which I have been able to make indicates that the estimates are high, rather than low. To illustrate: Sugar moved in volume, all-water, during the year 1932 from Philadelphia and New York to Lake Michigan and Lake Superior ports. Some of it moved in small-draft boats through the St. Lawrence River. Some of it moved by barge and was transferred to lake boats at Oswego, N.Y. But in any event it was all-water movement and the rate paid for this movement, which involved 133,588 tons in 1932, was 26.5 cents per hundred pounds. Sugar is a fifth-class commodity, and this actual movement, hampered, as it was, either by slight-draft boats or incurring a complete transfer en route, moved at a charge 11 cents per hundred pounds cheaper than the estimates which I am here presenting as to what might be a reasonable charge for the movement of fifth-class commodities between Atlantic coast ports and the Lake ports. There are other tests which I have made which prove to me, beyond all question of doubt, that the estimates herein submitted for a water rate to apply between Atlantic coast ports and the Lakes ports, via the seaway, are high, rather than low, for the service to be performed, in the event the St. Lawrence project is completed.

This reflects an average saving of 66 cents per 100 pounds, first class, or \$13.20 a ton less than the existing all-rail rates, a reduction in transportation costs approximately 40 percent in existing rail-transportation charges.

I do not think there is a single business man in the country who would contend that with this reduction in transportation costs as between these two great areas that there would not result immediately a very active interchange of business relations.

I ask hard-headed eastern business men whether it is good business acumen to close their eyes to this new market, involving 42,000,000 people with \$32,000,000,000 of manufacturing, using raw materials in manufacturing of \$18,000,000,000, paying three and one half million workmen over \$11,000,000,000 in salaries in 1929; a section that in 1929 had net sales in the wholesale trade in excess of \$23,000,000,000, sales in the retail trade of almost \$20,000,000,000; a section showing a construction business in 1930 of \$2,000,000,000; a section with assessed property valuation in 1930 of \$165,000,000,000; a section boasting of 25.3 percent of all United States minerals, 11.8 percent of all United States copper, 39.9 percent of all United States stone, 9.5 percent of all United States petroleum, 85 percent of all iron ore, 46.3 percent of all United States pig iron shipped, 36.5 percent of all coal mined, 9.4 percent of all natural gas products, 30 percent of all cement shipped, 44.8 percent of all clay products manufactured, 51.7 percent of all crop land in the United States.

I ask the Senators representing Atlantic Seaboard States again whether they can divorce themselves from a section which produced livestock in 1930 in excess of \$3,000,000,000, or over 50 percent of the entire production of the United States. Can they divorce themselves from a section that produces 72 percent of all hogs, 65 percent of all butter, 49 percent of all eggs, 75 percent of all corn, 64 percent of all wheat, 83 percent of all oats.

Can it be possible that the Atlantic seaboard Senators will refuse to recognize these facts which are so easily available for them to see?

Suppose their section lost 50 percent of their foreign trade. Do they not recognize that the new avenues and new markets absolutely insure a new domestic trade 10 times more than any possible loss they might incur in export trade? Every figure which I have quoted is available to Senators from the latest reports of the highest and most authentic authority. They are all now printed as a Senate document.

Consider for a moment. Suppose the North Atlantic ports lost 50 percent of their foreign commerce; how much would it amount to? In 10 years those eight ports would have lost 211,000,000 tons. In the same period, the water-borne traffic carried on the Great Lakes, hampered as the shippers are by 14- or 20-foot depths, was almost 2,000,000,000 tons.

Gentlemen do not realize the momentous decision they are required to make. They do not realize that by opening the St. Lawrence project they would be opening up these interior ports to trade at cheaper transportation costs than apply all rail from Chicago to the same territory. To illustrate this, the first-class rate from Chicago to Duluth, all rail, is \$1.33. I have shown that the water rate will not exceed \$1. Today all kinds of manufactures invade this territory against Chicago competition by absorbing the transportation cost. This absorption comes out of profits. This naturally restricts the invasion of that territory. The ratification of this treaty would mean that the entire picture would be changed. Chicago, St. Louis, Indianapolis, Columbus, would be absorbing carriage costs out of their profits to meet competition for the supply of the largest consuming area in the United States.

Suppose you lost 50 percent of your foreign trade; suppose you lost all of it; it is just a drop in the bucket compared with the possibilities of the new domestic trade at transportation costs the most favorable ever existing between two great trade areas.

Where is all that far-famed business acumen of the Yankee trader? Is it possible that they are permitting the penny at the end of their nose to obscure the vision of the dollar an inch away?

There is not a manufactured unit used in all of this western area that now comes from Illinois, Indiana, and Ohio that is not produced in your section. Do you think, with your reduced transportation costs, coincident with the completion of the St. Lawrence project, that these supplies will not come from your section? Let me hasten to reassure you that the margin of profit in business now is such as to force its transaction with those people and in those sections that can lay equal merchandise down at the lowest delivered cost.

I say, without the slightest qualification, that in my opinion the eastern Senators are making the most egregious blunder. This deep waterway will be built. President Roosevelt has pointed that out in his message. If we do not participate, Canada will build it. And they undoubtedly will assess tolls against our traffic and as a result, the business of your constituents is forever barred from serving this tremendous territory at reasonable rates. I pity you when your business interests wake up to the fact that by your action they are forever excluded from this great consuming territory.

Blind indeed are those who will not see. No longer can any Senator hide behind the screen called lack of information. I challenge every Senator from along the Atlantic seaboard to even casually look at the interdepartmental reports submitted by the President in support of ratification. If they examine those reports, I cannot see how they can vote against the ratification of the treaty.

Mr. LEWIS. Mr. President, may I be pardoned for asking my able friend, if Canada should assume to build a canal along this route as a distinctive Canadian canal, would that not all the more stimulate America to build her own canal, through American country, right from the center to the coast? Where would there be any chance to lose anything if we should take the course Canada would take, building a canal through our own country, controlled by ourselves?

Mr. PITTMAN. Mr. President, there is no doubt that we could build one; there is no question about that at all. There

is no doubt that it would cost us as much as if we cooperated with Canada, if not more. There is no question that we would get no power benefits out of it, and that would be quite pleasing to the Power Trust. But, even so, we must not forget that we are not an enemy of the Canadian people. We must not forget that we are on the most friendly terms with them, more friendly than the relations that exist between any other adjoining peoples in the world, so far as my knowledge goes. I do not think there is anything on earth that could disturb the amicable relationship between us, except an egregious error on our own part. I do not believe there are a sufficient number of Senators in this body, or a sufficient number of Members of Congress, or a sufficient number of members of any party, who so fear or so hate Canada that they would disrupt the friendship which has existed for so long a time.

Mr. President, the St. Lawrence River, from the point to be seen on the map on this wall, from the international boundary between Canada and the State of New York, moves entirely through Canadian territory. The Canadians have absolute sovereignty over that river in that territory. Under that absolute sovereignty they would have a right to close it to us, or to charge us reasonable tolls for the use of it. However, by this treaty they have forever given us the use of the St. Lawrence River through that territory under the same conditions and terms applicable to themselves. Was that a surrender of sovereignty? Did Canada surrender her sovereignty when, by treaty, she agreed that we should forever be allowed to use the St. Lawrence River? Certainly she did not surrender her sovereignty, because she reserves the right to enact laws to regulate that district, and laws to enforce the police powers of the country in regard to it.

We have not surrendered our sovereignty over Lake Michigan. Our sovereignty over Lake Michigan is expressly asserted. What we have done is simply to state that the Canadians may utilize Lake Michigan on the same terms on which they have permitted us to utilize the St. Lawrence River. We have reserved every right to pass laws governing the use of Lake Michigan and to enforce those laws. We have granted privileges under our sovereignty to the Canadians, to let them utilize for transportation our waters to Lake Michigan. They have granted privileges under their sovereignty to permit us to use the St. Lawrence River. But both Governments reserved their sovereignty, which meant the power to enact any laws they see fit controlling those privileges and to enforce those laws equally with regard to each side.

True, we could build a separate canal and they could build a separate canal, but when they built their separate canal they could get to the ocean, and when we built our separate canal we could not get to the ocean.

Mr. LONG. Mr. President, the Senator is in error. If he will look at the map he will see there would be no trouble in our building a canal through New York State and reaching the Atlantic Ocean at much less cost than the cost of the proposed canal.

Mr. PITTMAN. The statements of the Senator from Louisiana with regard to costs have not appealed to me very much, at least not as much as the opinions of the experts with regard to that question. I do not want to get into an argument as to whether the cost would be \$500,000,000 or \$1,500,000,000 for one canal, but I will state once more, as I have stated again and again, that the engineers' figures show that it would be very much more expensive to build what is called the all-American canal.

Mr. CLARK. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Missouri?

Mr. PITTMAN. I yield.

Mr. CLARK. I should like to ask the Senator how much it would cost to build the all-Canadian canal through the Ottawa River and down the St. Lawrence.

Mr. PITTMAN. Which canal?

Mr. CLARK. The all-Canadian canal.

Mr. PITTMAN. The all-Canadian waterway, does the Senator mean?

Mr. CLARK. Yes; the all-Canadian waterway.

Mr. PITTMAN. Under the treaty?

Mr. CLARK. No; I mean the all-Canadian waterway. The President said in his message that if we failed to ratify the treaty there would unquestionably be built an all-Canadian waterway. The only project that has ever been proposed is the project from the Georgian Bay to the Ottawa River, and thence to the St. Lawrence.

Mr. PITTMAN. Yes.

Mr. CLARK. What would be the cost to Canada of that project compared with the cost of the all-American canal to the United States?

Mr. PITTMAN. I do not think there is any estimate on it, there is none I have possession of, but I would say at the start that it would be more costly, from what I have heard regarding it. I do not know that there are any figures on it.

Mr. CLARK. The only question on the point, with regard to which I was asking the Senator from Nevada, is this: The Senator stated that the cost of an all-American canal would be prohibitive. At the same time the Canadians have always cherished the thought of an all-Canadian seaway. I was wondering what the comparative cost as between the all-American and the all-Canadian seaways would be.

Mr. LONG. Mr. President, if the Senator will pardon me, I was given to understand that it would cost perhaps as much as \$100 per capita for every inhabitant of Canada to build that canal, and I desire to say to the Senator, if he will permit me to do so, that the figures I have received—figures supposed to be from experts—show that the all-American canal would be very much cheaper than the all-Canadian waterway. Of course, we all have experts. I do not know what the Senator calls his experts.

Mr. PITTMAN. I take the Board of Army Engineers as experts.

Mr. LONG. For the Senator's information, they have been proven to be wrong more times than right in their estimates on the Mississippi.

Mr. PITTMAN. I simply will not argue figures with the Senator from Louisiana.

I desire now to say a few words with respect to the opposition of the eastern railroads. I have been dealing with the opposition of the ports. I have attempted to show by the figures that the opposition of the eastern ports was groundless; that 80 percent of the trade will go to those ports, even though the seaway shall be built, and that the railroads will distribute it toward the interior.

With respect to the opposition by the railroads, all the railroad opposition dates from November 1930. At that time all the railroads, acting as a unit, through an association known as the Association of Railway Executives, issued a pamphlet which was called "A Declaration of Policy."

Mr. President, I ask at this time for permission to insert as a part of the RECORD the "Declaration of Policy."

The PRESIDING OFFICER (Mr. CONNALLY in the chair). Without objection it is so ordered.

The matter referred to is as follows:

DECLARATION OF POLICY DEEMED NECESSARY TO THE CONTINUANCE OF ADEQUATE TRANSPORTATION SERVICE TO THE PUBLIC ADOPTED AT A MEETING OF THE ASSOCIATION OF RAILWAY EXECUTIVES HELD AT NEW YORK CITY, NOVEMBER 20, 1930

At a joint meeting of the executive committee and member roads of the Association of Railway Executives, held in New York November 20, 1930, a report of the advisory committee was received in the form of a resolution reading as follows:

"Resolved, That the advisory committee recommends to the joint meeting of the executive committee and member roads the adoption of the program set forth in the attached report, with the qualification that it is not to interfere with the position taken in respect to the bill now pending for regulation of bus lines."

This report was unanimously approved and adopted by the executive committee and member roads as a declaration of their policy.

It is as follows:

Without referring to or including in any way the results of the business depression of 1930, and basing the statement entirely on the period ended with December 31, 1929, the following picture presents itself:

Growth in railway traffic

Years	Revenue ton-miles increased	Passenger-miles increased
	Percent	Percent
From 1890 to 1900.....	85.8	35.4
From 1900 to 1910.....	80.1	101.6
From 1910 to 1920.....	62.2	46.5
From 1920 to 1929.....	8.8	134.2

¹ Decrease.

WHAT ARE THE CAUSES LEADING TO THIS EXTREME DECLINE IN RAILWAY TRAFFIC IN THE PAST 9 YEARS?

1. Motor vehicles, coupled with improved highways.

Motor-vehicle registrations

Year	Passenger cars (includes motor busses)	Motor trucks	Total motor vehicles
1920.....	8,225,859	1,006,082	9,231,941
1921.....	9,346,195	1,118,520	10,464,715
1922.....	10,864,128	1,375,725	12,239,853
1923.....	13,479,608	1,612,569	15,092,177
1924.....	15,460,649	2,134,724	17,595,373
1925.....	17,512,638	2,441,709	19,954,347
1926.....	19,237,171	2,764,222	22,001,393
1927.....	20,219,224	2,914,019	23,133,243
1928.....	21,379,125	3,113,999	24,493,124
1929.....	23,121,589	3,379,854	26,501,443
Percent increase 1929 over 1920.....	181.1	235.9	187.1

Approximate number of busses

1920.....	10,000
1929.....	92,500

Percent increase, 1929 over 1920, 825.

2. Transcontinental tonnage handled through the Panama Canal:

Fiscal year:	Intercoastal tons of cargo
1921.....	1,372,388
1922.....	2,582,527
1923.....	8,068,553
1924.....	13,527,378
1925.....	9,496,259
1926.....	10,069,604
1927.....	10,560,505
1928.....	10,067,392
1929.....	10,119,028

Percent increase, 1929 over 1921, 637.3.

3. Traffic handled over the inland waterways, excluding the Great Lakes:

Year:	Tons
1920.....	83,150,182
1921.....	79,901,753
1922.....	77,872,724
1923.....	108,026,159
1924.....	121,713,097
1925.....	136,372,752
1926.....	146,907,027
1927.....	154,575,002
1928.....	160,927,905

Percent increase, 1928 over 1920, 93.5.

4. Contributing factors to this decline in rail traffic are the pipe lines, high-power electric lines, and the newest development of the piping of natural gas from the wells to large centers, which is going to reduce still further the coal traffic.

Insofar as any form of the above service is legitimate and a natural economic development, the railroads have no right to complain. The public is entitled to the best transportation at the lowest reasonable cost. However, where the rail carriers are prevented through legislation or regulation from fairly competing with new or old forms of transportation, or where the service rendered by the competitor is a subsidized one, such unfair handicaps should be removed.

It is suggested:

(a) That the present lack of adequate regulation of motor bus and truck operation should be remedied by the enactment of appropriate legislation, with no discriminatory provision against the railroads operating in the same field.

(b) That the restrictions on the railroads from competing with the Panama Canal by refusal to grant them fourth-section relief be removed.

(c) That the Government of the United States discontinue competing with the railroads or any other form of transportation either directly or by subsidy.

(d) That pipe-line common carriers be subjected to the same restrictions in respect to the transportation of commodities in which they are interested, directly or indirectly, as the railroads now are.

The above refers to loss of traffic through competitive reasons.

Traffic that remains has produced the following results:
1. The average receipts per ton-mile have been as follows:

Year	Average receipts per ton-mile (cents)	Reduction in freight revenue due to declining average receipts per ton-mile compared with 1921
1921	1.275	
1922	1.177	\$332,500,000
1923	1.116	656,236,000
1924	1.116	617,580,000
1925	1.097	736,589,000
1926	1.081	860,868,000
1927	1.080	836,037,000
1928	1.081	839,855,000
1929	1.076	890,170,000
Total reduction in revenue		5,769,835,000
Percent of decline 1929 under 1921		15.6

Figures for average receipts per ton-mile, it is fair to say, represent many factors, such as changes in commodities, distances hauled, and other items, and cannot be taken as a precise guide to rate reductions; but they are conclusive as showing the trend.

2. During this same period the operating expenses have indicated the application of great economy and efficiency, as shown by the following figures:

Operating expenses and traffic units,¹ class I steam roads, United States

	Total operating expenses	Traffic units (millions)	Expenses per 1,000 traffic units
1920	\$5,827,591,146	550,852	\$10.58
1921	4,562,668,302	418,778	10.90
1922	4,414,522,334	445,095	9.90
1923	4,895,166,819	526,897	9.30
1924	4,507,885,037	496,688	9.08
1925	4,536,880,291	521,065	8.70
1926	4,669,336,736	550,179	8.49
1927	4,574,177,821	529,686	8.64
1928	4,427,995,036	527,719	8.39
1929	4,506,056,262	540,544	8.34
Decreases 1929 under 1920:			
Amount	1,321,534,884	10,308	2.24
Percent	22.7	1.9	21.2

¹ Revenue ton-miles plus equated revenue passenger-miles.

This has been accomplished largely through the expenditure for capital improvements in the 9-year period amounting to \$6,855,416,000, which provided improved locomotives and equipment, improvement in the physical structure, improvement in methods, and done in conformity with the program of the railroads entered into in 1923 which, as announced at that time, was based "on an abiding faith in the fairness of the American people and reliance on the continuance of the policy announced in the Transportation Act, 1920, as a measure of reasonable protection to investment in railroad property."

During this same period the decline in the average receipts per ton mile has shown an accumulative amount closely approximating what has been spent for capital expenditure—\$5,769,835,000.

3. Notwithstanding this economy and efficiency, rates have never produced the return on property investment contemplated in the Transportation Act, viz, 5½ percent, for the railroads as a whole.

Rate of return on property investment, class I steam roads, United States

Year:	Rate
1921	2.87
1922	3.59
1923	4.33
1924	4.23
1925	4.74
1926	4.99
1927	4.30
1928	4.65
1929	4.84
8 months ended Aug. 31, 1929	5.43
8 months ended Aug. 31, 1930	3.59

Rate based on property investment of carriers as shown by their books, including material and supplies and cash.

WHAT ARE THE REASONS?

Reductions in rates, beginning with the year 1921, have continued up to the present moment. These reductions were brought about:

First. By action of the Interstate Commerce Commission.

Second. Through reductions made voluntarily by the carriers to meet competition including that of unregulated or subsidized transportation.

Third. Through reductions made voluntarily by the carriers for the development of industrial enterprise and communities.

This is the situation in which the railroads of the country find themselves today.

What the railroads are asking is a new spirit and attitude on the part of legislative and regulatory authorities—

(a) Through a recognition that the railroads are engaged in a business subject, as other business is, to the operation of economic laws and should accordingly be permitted to adapt themselves quickly to changes in economic conditions which confront them; and

(b) Through a recognition that railroad operation is a fundamental public necessity and that the maintaining at all times of an efficient national system of transportation, adequate to the business needs of the public, is necessary, if we are to progress as a nation.

The railroads at this time make the following recommendations:

First. A respite from rate reductions and suspensions by regulating bodies, both intra and interstate, and from action that will increase the expenses of the carriers.

Second. A respite from legislative efforts of either the National or the State Legislatures that would adversely affect rates or increase the expenses of the carriers.

Third. A withdrawal of governmental competition both through direct operation of transportation facilities, as well as indirectly through subsidies.

Fourth. A fairly comparable system of regulation for competing transportation service by water and on the highways, involving affirmative legislative action as follows:

As regards water transportation, legislation should cover—

(a) Extending jurisdiction of the Interstate Commerce Commission over port to port rates, to include—

(b) Determination of just and reasonable rates, and prohibition of discriminatory and unduly prejudicial rates.

(c) Publication of and adherence to rate schedules.

(d) Proper service requirements.

(e) Certificates of public convenience and necessity after proper showing.

(f) An opportunity for the railroads to enter this field of transportation under proper supervision, but without handicap as compared with other transportation agencies. The Panama Canal Act should be modified so as to permit railroad operation of waterway service in conjunction with rail service.

(g) And, in addition to affirmative legislative action, the retention of the flexible character of section 4, Interstate Commerce Act, sympathetically administered, with fair opportunity on the part of rail carriers to obtain relief after proper showing and including transcontinental traffic.

As regards commercial highway transportation, by bus or truck, legislation should cover—

(a) Extending jurisdiction of the regulatory authorities over commerce carried by such agencies.

(b) Certificates of public convenience and necessity, after proper showing.

(c) Proper protective requirements for financial responsibility and surety bonds or insurance.

(d) Adequate requirements for just and reasonable rates, both maximum and minimum, with provision for publication thereof and adherence thereto and proper inhibition against undue and unjust discrimination.

(e) Proper service requirements.

(f) Adequate authority for rail carriers to operate such facilities, without discrimination in favor of other transportation agencies in the same field.

(g) Adequate provision for privilege or license fee imposed on all motor vehicles for hire or profit using highways, so as to properly participate in construction and maintenance costs of highways.

As regards pipe-line transportation—

That pipe-line common carriers be subjected to the same restrictions as to the transportation of commodities in which they are interested, directly or indirectly, as the railroads now are.

All basic figures given in this statement are derived from the reports of the Interstate Commerce Commission or from other governmental sources and are open for inspection and verification.

For the policies recommended herein by the Association of Railway Executives they bespeak the earnest and thoughtful consideration of the public, from the standpoint of the national interest, in maintaining in the highest degree adequate and efficient transportation in every modern form, with equal opportunity for all.

Mr. PITTMAN. I call attention to the fact that in this declaration of policy, decided opposition is indicated against all classes of water transportation, which includes not only the St. Lawrence project but the Mississippi River project, the Illinois River project, the Warrior River project, and the Hudson River project. In fact, the unified declaration of policy of the railroads is against the spending of any public moneys in waterway or port development.

Prior to this declaration of policy on the part of the railroads, acting as a unit, through the Association of Railway Executives, practically all of the western railroads were openly on record in favor of the St. Lawrence project.

Mr. President, to save time, I ask unanimous consent to have printed in the RECORD letters from Fred W. Sargent,

president of the Chicago & North Western Railway; Charles Donnelly, president of the Northern Pacific Railroad; Ralph Budd, formerly president of the Great Northern Railroad, now president of the Chicago, Burlington & Quincy Railroad, and Hale Holden, at one time president of the Chicago, Burlington & Quincy Railroad.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letters referred to are as follows:

CHICAGO & NORTH WESTERN RAILWAY Co.,
Chicago, September 17, 1925.

MR. CHARLES P. CRAIG,
Vice President and Executive Director,
Great Lakes-St. Lawrence Tidewater Association,
521 Munsey Building, Washington, D.C.

MY DEAR MR. CRAIG: If you desire to do so, you may quote me as follows with relation to the Panama Canal-Great Lakes-St. Lawrence Waterway competition:

The people of the Middle West are unfairly discriminated against as the result of the Panama Canal. The Middle West is paying directly for the Canal, not only because of its competition with the railroads, but also because the Canal is not paying its own way, if return on capital investment and loss of taxes are given consideration, as they should be.

The Panama Canal does not serve the Middle West, but affords uncontrolled, unrestricted, and unrestrained competition through means of public subsidy for the purpose of taking industries out of the Middle West and planting them on either coast.

The country as a whole, in the end, will not prosper by this discrimination against the Middle West. There may be a temporary advantage. In the end, however, any such sectional preferential treatment will not succeed. The Middle West right now is entitled to have tolls through the Panama Canal placed on such a basis as to make the Canal self-supporting, not only as to operating costs but with reference to a fair return on capital investment plus an allowance for taxes equal to the average taxes on equal capital invested paid by the railroads.

The people of the Middle West are also entitled to have boat lines operating through the Canal subject to the jurisdiction of the Interstate Commerce Commission, just as the railroads are, and required to file and publish tariffs so that the transcontinental railroads may know what all rates, including tramp-steamer rates, are through the Canal. At the present time the boat lines know the rates of the railroads and can underbid them at will. The railroads have no way of knowing what any fixed form of competitive water rates are or will be.

The Great Lakes-St. Lawrence waterway will help the Middle West. Anything that will help promote the prosperity of the inland empire lying between the Alleghenies and the Rockies will help the railroads and will be of inestimable value to the entire country.

Very truly yours,

FRED W. SARGENT, President.

NORTHERN PACIFIC RAILWAY Co.,
St. Paul, Minn., May 15, 1925.

MR. CHARLES P. CRAIG,
Executive Director Great Lakes-
St. Lawrence Tidewater Association,
Duluth, Minn.

DEAR MR. CRAIG: You have asked me to describe, with particular reference to railroads, the changes which would follow the proposed St. Lawrence Waterway improvement, permitting continuous transport by vessel from Duluth to the ocean. It is impossible to anticipate and correctly measure these changes, but without any question they would be extensive and important, and it is also certain that the Northwestern States served by our railroad would largely share in the benefits.

It is a peculiarity of our situation that most of our surplus products find their best, if not their only market on the seaboard or in foreign countries. This is particularly true of wheat, our most important product, which, generally speaking, is sold on basis of the Liverpool price. The prices for lead, copper, and other mine products are subject to the same measure and because of these conditions it may be said that the people served by this railroad are peculiarly interested in anything which will lessen the cost of transportation to the eastern centers of population and to foreign countries, particularly the European countries who are large buyers of our products.

The northwestern railroads have always recognized the advantage of transportation via the Lakes in connection with the east-bound movement of grain, lumber, copper, and other products of their territory. The necessary breaking of bulk at the Lake port permits prompt release and return of cars to loading points and to the extent the Lake route is utilized we have an independent railroad operation and thus escape the losses which often attend the delayed return of cars by connecting railroads.

It seems to me that you have fully described these benefits in the statements which you have already issued.

Yours very truly,

CHARLES DONNELLY, President.

GREAT NORTHERN RAILWAY Co.,
St. Paul, Minn., December 7, 1920.

MR. CHARLES P. CRAIG,
Executive Director Great Lakes-
St. Lawrence Tidewater Association,
Duluth, Minn.

DEAR SIR: Your letter November 26, enclosing statements regarding the Great Lakes-St. Lawrence Tidewater project, is received. The benefits accruing to the middle and northwestern sections of the United States as a result of the Great Lakes-St. Lawrence Tidewater project cannot help being apparent to anyone who has given the subject consideration.

The success with which lake-and-rail movement of ore and coal is carried on serves as a splendid illustration of what could be done in a larger way with the tidewater project carried out so that exporting could be carried on freely from this great middle and northwestern territory directly from the termini of the rail lines which serve the territory. It would mean much for an improved car supply in times such as those recently experienced in that cars, instead of being lost to the western lines and in that way to the shippers of the Northwest, would be unloaded at lake ports and returned immediately to the territory for other loads.

I cannot express anything but best wishes for the success of the undertaking.

Yours very truly,

RALPH BUDD.

ON LINE, November 13, 1920.

MR. CHAS. P. CRAIG,
Director Great Lakes-St. Lawrence Tidewater Association,
Duluth, Minn.

DEAR SIR: I am in receipt of your letter of the 15th instant. I have no hesitation in again saying, as I have in several ways already, that I view the Great Lakes-St. Lawrence tidewater project as a matter of the highest interest and importance to the development of the middle and northwestern territory, comparable only to the Panama Canal in its widespread and beneficial results.

To make the project successful, the engineering plans must be and I understand are commensurate with the object in view; with plans adequate for present and future expansion, direct deep-water access to the Atlantic Ocean must necessarily operate as a great spur to the growth of the territory, furnishing as well an important and needed ally to the existing rail transportation facilities. Past experience with rail and Lakes movement offers a guide and encouragement to this greater development toward rail, lake, and tidewater movement and not the least important result will be the increased protection in times of heavy demand to the equipment of the large grain-carrying roads in western territory. This will save many car days and insure better continuity of car supply to the farmers and producers of bulk and manufactured products in this growing territory.

With best wishes for the success of the association, I am,

Yours very truly,

HALE HOLDEN,
President of Chicago, Burlington & Quincy Railroad Co.

MR. PITTMAN. Mr. President, all these letters endorse the project as being of great benefit to the western section of the country.

I call attention to the fact that all these gentlemen, prior to the declaration of policy as of November 1930, openly and without qualification advocated the completion of the St. Lawrence project, claiming that it would be of material benefit not only to the railroads of the West but to industry of the West, and mention is made of the fact that it would go a long way toward neutralizing the advantages afforded the east and west coasts over the interior by the completion of the Panama Canal.

It seems to me that the Senator from Iowa did not understand that. He realized the fact that the very section of the country from which he comes was put to a disadvantage by the Panama Canal, but he could not, apparently, see that this very seaway neutralizes that disadvantage.

The letters which I have introduced are representative of letters in testimony from any number of large western railroads, notably the Chicago, Milwaukee, St. Paul & Pacific, the Soo Line, the Union Pacific, and others.

Since November 1930, however, not a single railroad east or west has uttered one word in favor of any water development. On the contrary, this country has been flooded with misleading propaganda against all waterway projects. Every avenue possible has been utilized for the dissemination of this propaganda.

Mr. President, I ask permission to have printed in the RECORD at this time copies of page 109 of the annual re-

ports of the following companies to the Interstate Commerce Commission for the year 1932:

The Atchison, Topeka & Santa Fe Railway Co.
Baltimore & Ohio Railroad Co.
Chesapeake & Ohio Railway Co.
Chicago & North Western Railway Co.
Chicago, Burlington & Quincy Railroad Co.
Chicago, Milwaukee, St. Paul & Pacific Railroad Co.
Chicago, Rock Island & Pacific Railway Co.
Great Northern Railway Co.
New York Central Railroad Co.
New York, Chicago & St. Louis Railroad Co.
Northern Pacific Railway Co.
Pennsylvania Railroad Co.
Union Pacific Railroad Co.
Wabash Railway Co.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit D.)

Mr. PITTMAN. Mr. President, these pages cover, in part, a list of the largest stockholders of the respective railroad companies. To illustrate: These reports show that the largest single stockholder of the Baltimore & Ohio Railroad Co. is the Union Pacific Railroad Co. The largest single stockholder of the Chicago & North Western Railway is the Oregon Short Line Railroad Co., which is part of the Union Pacific system. This same railroad is a large shareholder of the Chicago, Milwaukee, St. Paul & Pacific Railway Co. The largest single stockholder of the Chicago, Rock Island & Pacific Railway is the St. Louis-San Francisco Railway Co. The largest single stockholder of the Pennsylvania Railroad Co. is the Union Pacific Railroad Co., holding 100,000 shares. One of the largest single stockholders of the Union Pacific Railroad Co. is the Chicago & North Western Railway Co. The largest single stockholder of the Wabash Railway Co. is the Pennsylvania. The Burlington Railroad is owned more than 95 percent by the Great Northern and Northern Pacific, equally and jointly.

Mr. President, I ask at this time unanimous consent to file a short statement showing the interlocking stock ownership as between these railroads. The figures are taken from the pages of their annual reports hereinbefore introduced. This statement will constitute "Exhibit E."

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit E.)

Mr. PITTMAN. Mr. President, I submit, in view of the closely woven interlocking of stock ownerships between these railroads that it would be absolutely impossible for one road to take individual action on any problem without almost unanimous consent.

In addition to this, these reports furnish evidence of interlocking ownerships of stock in large amounts by private interests, which would absolutely preclude, in my opinion, any road taking individual action or exercising its individual right on projects that might be beneficial to it.

For example, Sigler Co., New York, own large blocks of stock in the following railroads: Santa Fe, Baltimore & Ohio, Burlington, Rock Island, Great Northern, Northern Pacific, Pennsylvania, and Union Pacific. Morgan, Turner Co., New York, own large blocks of stock in the following railroads: Santa Fe, New York Central, Pennsylvania, Union Pacific. The Curtiss Southwestern Co., New York, own the largest block of stock in the Great Northern and Northern Pacific. Barnes & Co., New York, own large blocks of stock in the Santa Fe and Baltimore & Ohio.

In other words, on an examination of this proposition, it will be found that the control of these railroads all goes back to a few bankers in Wall Street, and they decided for the western roads and for the southern roads what they thought about this waterway after they had already favored it. Since that time they have not been able to say anything.

Mr. LEWIS. Mr. President, at this point let me say I have been laboring under the impression, and I think I have freely charged, that the dominating power in the railroads, which really controls the railroads, is the insurance companies which hold their securities, not the banks.

Mr. PITTMAN. Then I shall go a little further and trace back—

Mr. LEWIS. Mr. President, does the Senator agree with me that that can be so?

Mr. PITTMAN. I think that is largely true, and I think the insurance companies are in turn controlled by a great group in Wall Street. In fact, I remember that at one time some great Wall Street manipulators paid about ten times the value of certain insurance stock so as to control the insurance companies. But I must hurry through. The reports from these railroads clearly show that the control of all of them is in only one place, and I do not need to mention it. It only illustrates what I mean that when the western railroad presidents came out in favor of this project and said it would be a great benefit to the West and to the western railroads, they were shut up instantly. We have never heard a peep out of them since. When Mr. Thom came before the committee after that he said he represented all the railroads, and so he did, because all the railroads were represented by not more than three or four men.

Now, as to the eastern railroads, I have checked this information very carefully, and, in the light of past experience, I am firmly of the opinion that these railroads who, by the direction of Wall Street, are opposing the completion of this project by the dissemination of vicious propaganda, as I have heretofore shown, will be benefited rather than harmed by the completion of the project. Fortunately for the United States Senate this very question has been thoroughly investigated by the various agencies of the Government and their reports are incorporated, for the ready reference of the Senate, in Senate Document No. 116 of the Seventy-third Congress, second session. To anyone reading carefully this detailed analysis, it is perfectly clear that the completion of the St. Lawrence project will so rehabilitate industry in the Middle West and so reinfuse the veins of manufacturing in that section as to afford a much larger compensating tonnage and tonnage of a higher grade for these eastern railroads that their net result will be beneficial rather than harmful.

We have distinct precedents from which to judge whether the opening up of the natural waterways is detrimental or helpful to competing railroads. One distinct instance of this was the opening up of the Panama Canal. The completion of this project was opposed by the western railroads on exactly the same grounds as the St. Lawrence project is now being opposed by the railroads as a unit. The project was authorized and completed in spite of the opposition of the railroads.

Mr. President, at this time I would like to have permission to insert in the RECORD an exhibit marked "Exhibit B-1." This is a statement of tonnage in cargo tons handled through the Panama Canal from the years 1915 to 1929, inclusive. It shows a growth in total tonnage of from 4,888,000 tons in 1915 to 30,663,000 tons in 1929. An increase in 15 years of almost 26,000,000 tons. This was tonnage which in large part might have gone to the railroads had not the Panama Canal been completed.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit B-1.)

Mr. PITTMAN. Now, what were the western railroads doing while this tonnage was being diverted from them through the Panama Canal? At this point I would like to submit for the RECORD exhibit B-2. This is a statement showing the revenue-tons transported for the same period, i.e., 1915 to 1929, inclusive, by class I railroads in the western district. I ask that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit B-2.)

Mr. PITTMAN. From this exhibit it will be seen that the revenue-tons transported by the western carriers in 1915 were, in round figures, 449 million tons, and in 1929 this had grown (in spite of the Panama Canal and the tonnage that

it carried) to 727 million tons, or an increase of 278 million tons.

Please note that in the 15 years, 1915 to 1929, the traffic of the Panama Canal increased 26 million tons. The tonnage of the competing railroads in the western district increased more than 10 times as much during the same period—278,000,000 tons.

The conclusion is obvious that while the Panama Canal has taken some traffic which might have ordinarily gone to the railroads, in so doing it rehabilitated industry on the east and west coasts of the United States to such an extent as to furnish a compensating tonnage to the competing western railroads far in excess of the total tonnage handled by the Panama Canal.

Now we have an illustration closer home, which I would like to draw to the attention of the Senate, and that is the competition afforded by the Great Lakes and the St. Lawrence River, with its limited draft at the present time, with the eastern railroads. It is a matter of common knowledge that a tremendous volume of tonnage is handled annually down the Great Lakes. This has been a fact since the Government has deepened the channels on the Great Lakes. Now, has this tonnage been the means of stifling traffic for the railroads and putting the eastern railroads out of business?

Mr. President, I would like at this time to have permission to make a part of the RECORD exhibit B-3, which is a statement showing the water-borne traffic handled on the Great Lakes from the years 1920 to 1929.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit B-3.)

Mr. PITTMAN. This exhibit shows that in 1920 the tonnage handled on the Great Lakes amounted, in round figures, to 99 million tons; that in 1929, 10 years later, it had increased to 141 million tons, in round figures, an increase in 10 years of 42 million tons.

Now what were the competing eastern railroads doing during that period, and how much business do their reports show that they lost?

At this point, Mr. President, I would like to introduce and make a part of the RECORD, exhibit B-4, which shows the revenue tons transported by the class I railroads in the eastern district from 1920 to 1929, inclusive.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit B-4.)

Mr. PITTMAN. From this exhibit it will be seen that the eastern railroads carried 1,253,468,027 revenue tons in 1920; that this increased to 1,294,927,000 in 1929. Thus it can be seen that the eastern railroads, in spite of the heavy tonnage on the Great Lakes, show a growth in tonnage during this period of an amount almost equal to the growth of tonnage on the Great Lakes.

Further analysis, as shown by the report which is now identified as Senate Document No. 116, discloses that the tonnage carried by the eastern railroads is of a higher grade and pays a greater ton-mile earning than was earned prior to 1920. I quote in full a paragraph from page 308 of Senate Document No. 116.

As has already been pointed out, the consummation of the proposed St. Lawrence waterway would only serve to accelerate this tendency. Low-grade, bulk commodities—the products of mines, farms, and forests—would naturally gravitate towards the waterway where rates would be cheaper, and there were no elements of time or perishability involved in their transportation. But, on the other hand, the products existing from expansion of existing industrial undertakings, or from the newly created factories and mills promoted by cheaper raw materials and power, would constitute a new and profitable source of railway tonnage. The new result would be a financial gain to the railroads arising from the construction of the proposed waterway. As time went on, and the industrial and commercial activities of the tributary area of the waterway increased, the railroads would profit commensurately, and would find the proposed waterway an advantage rather than a source of loss.

To correct the misimpression that the eastern railroads are in such bad financial condition, Mr. President, at this time I desire to submit exhibit B-5. This exhibit shows the

dividends declared by railroads in classes I, II, and III, in the eastern district, from 1920 to 1929.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit B-5.)

Mr. PITTMAN. It will be seen from this exhibit that the railroads in the eastern district paid dividends in 1920 of almost 129 million dollars, in 1929 almost 274 million dollars, a total dividend in the 10 years of almost 2 billion dollars, an average annual dividend of 192 million dollars.

From this it can be seen that it is fairly presumptive that up until the depression commenced in 1930 there was nothing to be alarmed about in the financial condition of the railroads.

From the foregoing, it is perfectly clear that past experience does not indicate that the opening up of any legitimate waterway has had anything but a helpful effect upon the railroads generally, and even upon the railroads that are directly competing with such waterway.

Then, too, it should not be lost sight of that this seaway, if built, cannot possibly be in operation before 1940-43, approximately 7 to 10 years from now. If the traffic of the United States in the next 10 years shall increase in the same ratio that it increased for the 10 years prior to the depression, there will be more business to be handled than can possibly be handled with the waterway operating at full blast and the competing railroads carrying capacity tonnage. This is amply demonstrated by the reports which the President submitted in support of the completion of this project, and which are easily available to the Senators because they are now in the process of printing as Senate documents.

There is no Member of the Senate who recognizes any more clearly than I do the necessity for the railroads in our economic life. There is no man in the Senate who will go any farther than I will to see them in a healthy condition, and I should be the last man to advocate the completion of any project that would have the effect of demoralizing our railroads.

While I concede the necessity of the railroads, I am opposed to the idea that they shall dominate the economic life of the United States, and I am opposed to their domination of the policy of our Government.

At this point, Mr. President, I ask unanimous consent to introduce a tabulation, marked "Exhibit C", of a few representative first-class rates, all rail, as of 1918, compared with these rates at the present time. There are only a few presented, but they are typical of the general situation. The tabulation shows beyond any question that the rates of these railroads have gone far beyond the point at which business may be freely transacted.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit C.)

Mr. PITTMAN. I say again, are the railroads going to be permitted so to dominate this body as to be able to use taxpayers' money to defeat the completion of projects which contemplate cheaper and more flexible avenues of transportation, which can only result in benefits to the consumers and producers of this country?

Are the railroads so omnipotent as to be allowed to maintain in perpetuity the monopoly which has permitted the development of an organization which I have heretofore characterized as the most antiquated business organization in the United States?

Let me say without qualification, and with all the power at my command, that when the railroads put their own house in order I am for them. When the banks and the security holders can demonstrate to our satisfaction their ability to manage their own business, then, and then only, will be time enough for them to attempt to run the railroad business.

I say in conclusion that the opposition of the eastern railroads is not because they fear a diversion of traffic. It is not particularly directed against the St. Lawrence Treaty. The opposition of the eastern railroads, and the western railroads as well, comes from their master's voice, which barks its orders from a little street in New York called "Wall."

Mr. President, as a part of my remarks I wish to have printed in the RECORD a list of allotments to the Mississippi River and its tributaries under the Public Works Administration; also a statement prepared by the State Department, which has been approved by them, dealing with the Great Lakes-St. Lawrence Deep Waterway Treaty. It is more of an analysis of each section of the treaty than anything else, and it will save time to put it in as a part of my remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

List of allotments to Mississippi River and tributaries under Public Works Administration

NAVIGATION		
Project	Allotment	Additional amount to complete
Mississippi River between Illinois River and Minneapolis	\$33,500,000	\$22,000,000
Missouri River between Kansas City and Sioux City	14,153,108	45,000,000
Missouri River between Kansas City and the mouth	4,990,000	3,184,000
Missouri River—Fort Peck	25,000,000	41,500,000
Wolf River, Tenn.	603,000	
Mississippi River between Ohio River and Illinois River	3,000,000	1,690,000
Ohio River:		
Lock and dam construction	3,150,000	1,289,000
Open channel work	930,000	1,708,500
Cumberland River, Tenn. and Ky.	808,000	0
Green and Barren Rivers	60,000	0
Kanawha River, W. Va.	6,015,000	8,200,000
Allegheny River, Pa.	900,000	580,000
Illinois River, Ill.	910,000	4,087,000
Total	94,049,108	199,238,500
FLOOD CONTROL		
Mississippi River	\$44,000,000	\$96,846,576
Tygart Reservoir	3,000,000	9,000,000
Muskingum Reservoirs	22,590,000	0
Total	69,590,000	105,846,576
Cost of improvement of St. Lawrence under treaty		33,085,152
Total United States cost	257,992,000	
Less agreed amount to be paid for power by New York Power Authority	89,726,250	
Net Federal expenditures	168,265,750	

THE GREAT LAKES-ST. LAWRENCE DEEP WATERWAY TREATY

The Great Lakes-St. Lawrence Deep Waterway Treaty, signed in Washington on July 13, 1932, was the culmination of many years of nonpartisan activity in the United States and in Canada to extend ocean navigation into the heart of this continent. The St. Lawrence project has for many years had supporters, as well as opponents, in both of our political parties. The first official step of an American Government looking toward a St. Lawrence development was taken by President Wilson's administration when on January 21, 1920, in association with the Government of Canada, the International Joint Committee was requested to investigate the project and to submit a report to the two Governments on its feasibility and practicability. The present treaty was negotiated and signed during the preceding administration.

The salient facts in regard to the treaty, the various investigations of the project, and the history of the negotiations are fully set forth in the hearings before a subcommittee of the Committee on Foreign Relations of the Senate (72d Cong., 2d sess.) and in the report of the Committee on Foreign Relations (Executive Rept. No. 1, 72d Cong., 2d sess.).

It seems desirable, however, at this point briefly to describe the treaty and to explain the meaning and significance of the various sections of it.

The treaty consists of a preamble, 10 articles, and a separate schedule, the last named relating to the St. Lawrence International Rapids Section Commission, provided for under article 3. The preamble of the treaty notes the declaration of the Canadian Government of its intention to provide, not later than the date of the completion of the deep waterway in the international section of the St. Lawrence, for the completion of the New Welland Ship Canal and of canals in the Soulanges and Lachine areas of the Canadian section of the St. Lawrence River, which will provide essential links in the deep waterway to the sea; the preamble also notes the declaration of the Government of the United States of its intention to provide, not later than the date of the completion of the works in the international section, for the completion of the recommended works in the Great Lakes system above Lake Erie.

Under article I Canada agrees, in accordance with the project described in the final report of the joint board of engineers, to construct, operate, and maintain the works in the Thousand Islands section of the St. Lawrence River below Oak Point; to construct, operate, and maintain a side canal with lock opposite Chrysler Island; and to construct the works required for rehabilitation on the Canadian side of the international boundary.

In article II the United States similarly agrees to construct, operate, and maintain the works in the Thousand Islands section above Oak Point; to construct, operate, and maintain a side canal, with locks, opposite Barnhart Island; and to construct the rehabilitation works on the United States side of the international boundary. Practically all of the works, both in the American and in the Canadian section of the Thousand Islands sector, have already been completed.

Article III provides for the establishment and maintenance of a temporary St. Lawrence International Rapids Section Commission consisting of 10 members, five to be appointed by each country, to construct the works in the International Rapids section of the river included in the project described in the final report of the joint board of engineers, not included in the works provided for in articles I and II and excluding power-house superstructures, machinery, and equipment. The two Governments expressly reserve the right to modify the plans by mutual agreement. In this article, the United States agrees to provide the funds for the construction of the works in the International Rapids section by the Commission estimated to cost about \$150,000,000. Article III stipulates that the parts of the works within Canadian territory, or an equivalent proportion of the total of the works, shall, insofar as is possible, be executed by Canadian engineers and Canadian labor and with Canadian material; and insofar as is possible the remaining works shall be executed by American engineers and American labor, and with American material. Approximately two thirds of the works to be constructed by the Commission are in United States territory and one third in Canadian territory. Article III also provides that the parties may arrange for construction in their own territory of such power-house superstructures, machinery, and equipment as may be desired for the development of power. This provision, of course, leaves each of the Governments free to settle the purely domestic question of the utilization of water power.

Article IV provides for the equal division as between the United States and Canada of the water utilized for power purposes in the International Rapids section of the St. Lawrence River and for the regulation of the flow of the river to protect the down-river shipping facilities.

Article V stipulates that the construction of works under the treaty shall not confer upon either of the parties thereto proprietary rights or legislative, administrative, or other jurisdiction in the territory of the other, and that the works constructed shall constitute a part of the territory of the country in which they are situated.

Article VI provides that either country may, within its own territory, proceed at any time to construct alternative canal and channel facilities for navigation in the international section of the St. Lawrence River or in waters connecting the Great Lakes.

Article VII stipulates that the rights of navigation accorded under the provisions of existing treaties between the two countries shall be maintained notwithstanding the provisions for termination contained in any of such treaties. This provision will make perpetual our right to use the Welland Canal and other Canadian canals, which could now be terminated on a year's notice.

Article VIII relates to the preservation of the levels of the Great Lakes system. This article provides that the diversion of water from the Great Lakes system through the Chicago Drainage Canal shall conform to the quantity provided under the decree of the Supreme Court of the United States of April 21, 1930. The article further provides that in the event of the Government of the United States proposing, in order to meet an emergency, an increase in the permitted diversion, and in the event of the Government of Canada taking exception to the proposed increase, the matter shall be submitted for final decision to an arbitral tribunal which shall be empowered to authorize, for such time and to such an extent as is necessary to meet the emergency, an increase in the diversion of water beyond the limits of the above-mentioned decree and to stipulate such compensatory provisions as the tribunal shall deem just and equitable. The arbitral tribunal, it is provided, shall consist of 3 members, 1 to be appointed by each of the Governments and the third, who will be the chairman, to be selected by the two Governments jointly.

The United States Army Engineers have formally reported to Congress that the quantity of water which the Supreme Court decree authorizes the Chicago Sanitary District to divert from the Great Lakes Watershed is sufficient for the 9-foot canal from Chicago to the Mississippi River through the Illinois River and adequate for a commercially useful waterway.

Article VIII also provides that no diversion of water, other than that referred to in the preceding paragraph, from the Great Lakes system or from the international section of the St. Lawrence River to another watershed shall hereafter be made except by authorization of the International Joint Commission, on which the United States and Canada have equal representation.

Under article IX, both countries are released from responsibility for any damage or injury to persons or property in the territory of the other which may be caused by any action authorized or provided for by the treaty. This article also stipulates that the two countries will severally assume responsibility and expenses for the acquisition of any lands or interests in land in their respective territories which may be necessary to give effect to the provisions of the treaty.

Article X is the usual article relating to ratification and exchange of ratifications.

Schedule A provides details in regard to the organization, capacities, powers, and liabilities of the St. Lawrence International Rapids Section Commission.

The Joint Board of Engineers estimates that the entire waterway from the Great Lakes to Montreal will cost a total of \$543,429,000, including fully installed power works in the international section of the St. Lawrence River. Of this amount it is estimated that the United States will spend \$272,453,000 and that Canada will spend \$270,976,000, a considerable portion of both of which sums have already been expended by the two countries. In approaching the question of the division of the cost of a great joint undertaking of this sort as between the United States and Canada, there are, of course, various factors which might be taken into consideration. Many people in Canada have felt that since the United States has a much greater population in its territory immediately tributary to the Great Lakes system than has Canada in her territory, the United States should pay a very much larger share of the cost of the project than should Canada. It has been alleged that since the United States has a number of large cities on the Great Lakes and a more highly developed industry in the Great Lakes territory, the waterway and power development in connection therewith will be of more benefit to the United States than to Canada, and that we should pay the bulk of the cost. In the negotiations with Canada which led to the signing of the treaty, it was agreed that the United States and Canada should share the cost of this project equally and insofar as possible an equal division as between the two countries was determined upon in allotting costs for the various sections of the waterway. Insofar as past expenditures are concerned, the formula was adopted of including in the balance sheet only those expenditures which would not have been made except in contemplation of the completed deep waterway. The American expenditures include \$56,500,000 for deepening channels in the upper Lakes, providing a new lock in the St. Marys River, and constructing the compensation works which the United States has agreed to build. Of this sum approximately \$14,000,000 has been appropriated and expended, and \$42,500,000 of new funds will be required. The cost to the United States in the Thousand Islands section of the river is \$461,000, which has been appropriated and the work has been completed. The expenditures of the United States in the International Rapids section of the St. Lawrence will reach a total of \$215,492,000, all of which will be new funds. The total amount of new funds which the United States will be called upon to spend is \$257,992,000 for navigation and power works. From this total should be deducted the sum which may be realized from the disposal of the American share of water power. During the special session of Congress last spring, the House passed a resolution under the terms of which the American share of the power would be turned over to the State of New York upon the payment by that State of \$89,726,000. An identical resolution was introduced in the Senate but was not finally acted upon during the special session. The passage of this resolution, which has the President's support, would bring the net cost of the waterway to the Federal Government down to a total of \$168,266,000.

The foregoing estimates are based on the report of the joint board of engineers of November 16, 1926, and include unit prices as of that time. Should contracts for the recommended works be let at lower price levels than those of 1926, the engineers are of the opinion that an appreciable saving in construction costs would result.

Certain specific objections which have been raised to the treaty will now be dealt with.

It has been asserted that under article 8 the sovereignty of the United States over Lake Michigan has been surrendered to Canada and Great Britain. This charge is utterly and completely without foundation. Lake Michigan lies entirely within the territorial limits of the United States and our sovereignty over it is fully maintained. Under article VIII we do agree to limit the diversion of water through the Chicago Drainage Canal to the quantity permitted as of that date by the decree of the Supreme Court of the United States of April 21, 1930, namely, 1,500 cubic feet per second, plus domestic pumpage. By this action we recognize the well-known fact that since Lake Michigan forms a part of the St. Lawrence Drainage Basin, and since abstractions from that drainage system to a completely different watershed cause losses in Canada the Canadian Government has an interest in the extent of abstractions from a purely American lake. Sovereignty does not, and should not, include the right to use a nation's property in such a manner as to constitute an invasion of the vested rights of another country. The net result of article VIII is to establish for the diversion of water of Lake Michigan at Chicago restrictions similar in effect to those already provided for in the boundary waters treaty of 1909 in the case of future diversions from Lake Michigan.

It has been asserted that the permitted diversion is insufficient to meet the needs of a commercially useful waterway through the sanitary drainage canal and the Illinois River to the Mississippi River. It has been maintained that there would be foreclosed the right of the Secretary of War to report in accordance with the River and Harbor Act of July 3, 1930, following the completion of the Illinois waterway, on the minimum amount of water which would have to be abstracted from Lake Michigan in order to maintain a commercially useful channel 9 feet in depth. The Secretary of War has transmitted to the Congress, in compliance with the above-mentioned act of July 3, 1930, a report of the Chief of Engineers dated December 6, 1933, which completely disposes of this objection.

It has been asserted that, notwithstanding the fact that the Supreme Court decree of April 21, 1930, provides sufficient water for navigation purposes in the Illinois waterway, a reduction of the

diversion from Lake Michigan to the quantity permitted by that decree would bring about an unsanitary condition in the water which might become a menace to public health. General Markham's report, which has already been referred to, deals with this and makes it clear that the weight of evidence is to the effect that there is nothing to be feared on this point. Our engineers are definitely of the opinion that by budgeting the amount of diversion permitted under the Supreme Court decree and making intelligent use of the water diverted, any situation which might arise in connection with the sanitary condition of the water can adequately be dealt with. If, in spite of this, due to circumstances which cannot now be predicted, additional water should be required for sanitary purposes, this need would definitely be an emergency within the meaning of article 8 (a) 2. This emergency clause was carefully drafted to meet precisely that possibility. In such an event, if the Supreme Court should recognize that additional water was needed, the Government of the United States would propose an increase in the permitted diversion to meet this emergency. If the Government of Canada took no exception to the proposed increase—and it is inconceivable that the Canadian Government would object in such circumstances—the additional diversion would take place without further formality. Should the Canadian Government for some reason object, the matter would be arbitrated before a board on which a neutral would sit along with representatives of the United States and Canada. The United States as a world leader in the settlement of international disputes by arbitration can scarcely find fault with such simple, direct machinery to assist in removing an ancient source of irritation between us and our nearest neighbor. The long, unbroken record of friendly intercourse between this country and the Dominion of Canada impels us to hope that such an arbitral tribunal, while a useful safeguard to both countries in a treaty of this kind, would never be called upon to adjudicate any disagreement over the diversion of water from Lake Michigan.

The St. Lawrence waterway has been referred to as "an all-British canal." I am constrained to believe that such references are merely an illustration of loose speaking, to which most of us are occasionally prone. Surely no one is so ignorant of geography as not to know that three fourths of the Great Lakes-St. Lawrence seaway route (from the head of Lake Superior to the high seas) lies in international waters.

It has been asserted that the St. Lawrence waterway, upon its completion, would result in a loss of traffic to ports along our Atlantic seaboard because of the fact that ocean shipping could go direct to our ports on the Great Lakes. We cannot believe that such a consideration should be allowed to prevent the carrying out of a great national project. The ports along our Atlantic seaboard have been developed by the expenditure of more than \$200,000,000 of Federal funds, and surely this should weigh against the sectional argument. And the great impetus to coastwise navigation which would benefit all American ports that must reasonably be expected to follow the St. Lawrence development should not be overlooked. Little need be said about the objection which the railway interests are supposed to urge. The railroads have an unbroken history of objection to any waterway project. They opposed the construction of the Panama Canal and they have fought every inland-waterway improvement in the United States. But the construction of the St. Lawrence waterway cannot properly be termed an inland-waterway improvement in that it involves extending effectively an arm of the ocean into the heart of our country. It is a well-known fact that every dollar unnecessarily spent on transportation is an economic loss to the producer. Improving the economic status of our producers in the area adjacent to the Great Lakes will unquestionably result in the development of rail traffic which will far more than compensate the railroads in the eastern part of the United States for any traffic losses they may sustain. The railroads in the Middle West have frankly admitted in the past that the construction of the seaway would be of great benefit to them.

The Government of the United States has well under way a vast public-construction program, the funds for which were appropriated during the recent special session of Congress. The primary purpose of this program is to provide employment for a large number of workmen and thus to start cycles of activity which it is hoped and believed will immediately be reflected in wide-spread economic improvement throughout the country. In these circumstances, it is pertinent to consider the effect which the St. Lawrence project will have upon the unemployment situation when this treaty is ratified. General Markham, Chief of Engineers of the War Department, has submitted the following information in this regard:

"The statement of American labor which follows is founded upon records, texts, and direct information from manufacturers, superposed by judgments pertinent to the character and volume of construction work concerned, and to the classes and capabilities of machines likely to be employed.

"It is thus reckoned that the prosecution of the St. Lawrence River project, including excavations and construction in the channels of the upper Lakes, under the treaty proposed, will require American labor of something like 30,000,000 man-days.

"Neglecting engineering, clerical, supervisory, and incidental employment over the ice period of the St. Lawrence and the upper Lakes, and assuming that labor would be applied for 200 days per year over a construction period of 7 years, there would be employed on the average day about 21,000 men.

"If it were found possible to prosecute the work more rapidly than applies to a 7-year construction period, the average number

of laborers might be somewhat increased. It is thought to be a fair statement, however, for instant considerations, that under a vigorous prosecution of the treaty project there could be, and should be, employed something like twenty-odd thousand men for 200 workdays per year for 7 years."

It is to be noted that General Markham's estimate that the project will provide employment for 21,000 men 200 days per year over a construction period of 7 years includes only direct employment on the project itself and on the manufacture of the necessary machinery and equipment, and does not include the vast amount of indirect employment which will necessarily follow.

The waterway project upon its completion will provide a 27-foot channel from the Great Lakes to Montreal. A channel of 30 feet in depth is available from Montreal to the sea. Its completion will therefore admit ocean shipping from the Atlantic Ocean to the Great Lakes and will permit vessels drawing 25 feet to reach our ports on the Great Lakes. This will lessen the economic handicaps of adverse transportation costs to a vast area in the interior of the United States. This area produces a great surplus, both from agriculture and manufacturers, much of which requires long transportation and has for many years been under great transportation advantages in the shipment of commodities. In times of abnormally low commodity prices, the necessity of transporting products to consuming centers at the lowest cost possible becomes a matter of vital importance. Lower transportation costs to consuming centers should be reflected in higher price levels to producers. This increased purchasing power as a result of readjustment in price levels, would be of great benefit to the entire country. The tremendous economic advantage which will accrue to the State of New York and adjacent territory from the development of 1,100,000 horsepower of low-cost hydroelectric energy is clearly apparent.

It seems unnecessary at this time again to refer to the large number of specific instances of great savings in transportation costs which will result from the construction of this waterway as brought out by traffic experts in the hearings before the Senate subcommittee. The record fairly bristles with detailed and fully documented cases of this kind and if there are those who are skeptical on this point, it is earnestly suggested that they read some of these statements in the hearings before the subcommittee.

EXHIBIT A

Statement showing foreign, intercoastal, and coastwise commerce to, from, and through North Atlantic coast ports for 10-year period 1923 to 1932, inclusive

[Commerce in gross tons of 2,240 pounds per ton]

Port	Foreign	Domestic		Total (including United States dependencies)
		Inter-coastal	Coastwise	
Portland, Maine.....	7,155,453	490,773	18,743,929	26,391,818
Boston, Mass.....	25,437,073	5,611,686	101,849,530	133,706,243
Providence, R.I.....	5,363,264	1,671,383	35,951,491	42,990,722
New York, N.Y.....	227,158,255	40,258,533	279,187,370	553,564,144
Philadelphia, Pa.....	53,516,833	14,284,459	90,381,782	159,507,330
Baltimore, Md.....	63,092,535	14,191,194	25,074,960	104,376,325
Norfolk, Va.....	26,643,453	1,346,329	92,256,248	120,729,879
Newport News, Va.....	13,775,903	212,490	55,788,821	70,021,976
Total.....	422,142,769	78,066,897	699,234,631	1,211,288,437
Annual average.....	42,214,276	7,806,689	69,923,463	121,128,843
Annual average per port.....	5,276,734	975,848	8,740,433	15,141,105
Percent of total.....	34	0.06	58	100

Authority: Special Report of Department of Commerce submitted to Senate in support of President's message urging treaty ratification.

EXHIBIT B

Statement showing current all-rail rates (first class) between North Atlantic coast ports and ports on Lakes Erie, Huron, Michigan, and Superior

[First-class rates, in cents per hundredweight]

Between	And Cleveland, Ohio	And Toledo, Ohio	And Detroit, Mich.	And Chicago, Ill.	And Milwaukee, Wis.	And Ashland, Wis.	And Superior, Wis.	And Duluth, Minn.
Portland, Maine.....	\$1.31	\$1.38	\$1.38	\$1.59	\$1.59	\$2.18	\$2.22	\$2.22
Boston, Mass.....	1.22	1.30	1.30	1.54	1.54	2.13	2.17	2.17
Providence, R.I.....	1.22	1.30	1.30	1.54	1.54	2.13	2.17	2.17
New York, N.Y.....	1.16	1.23	1.23	1.52	1.52	2.11	2.12	2.12
Philadelphia, Pa.....	1.07	1.23	1.23	1.45	1.45	2.11	2.12	2.12
Baltimore, Md.....	1.02	1.20	1.20	1.40	1.40	2.09	2.10	2.10
Norfolk, Va.....	1.23	1.39	1.39	1.51	1.51	2.25	2.26	2.26
Newport News, Va.....	1.23	1.39	1.39	1.51	1.51	2.25	2.26	2.26
Average.....	1.18	1.30	1.30	1.50	1.50	2.15	2.18	2.13

Grand average, first class, equals \$1.66 per hundredweight.
Authority: Rates ordered in by Interstate Commerce Commission in Docket 15879—(164 I.C.C. 314), and in Docket 17000—2 (164 I.C.C. 1).

EXHIBIT B-1

Panama Canal

COMMERCIAL TRAFFIC, ALL COMMODITIES FOR THE FISCAL YEARS ENDED JUNE 30, 1915 TO 1929, INCLUSIVE, IN CARGO TONS

Year	Total cargo through Canal		
	Total tons	Atlantic to Pacific	Pacific to Atlantic
1915.....	4,888,454	2,070,993	2,817,461
1916.....	3,094,114	1,309,019	1,725,095
1917.....	7,058,563	2,929,260	4,129,303
1918.....	7,532,031	2,639,300	4,892,731
1919.....	6,916,621	2,740,254	4,176,367
1920.....	9,374,499	4,092,516	5,281,983
1921.....	11,593,214	5,892,078	5,701,136
1922.....	10,884,910	5,495,934	5,388,976
1923.....	19,567,875	7,086,259	12,481,616
1924.....	26,994,710	7,860,100	19,134,610
1925.....	23,958,838	7,398,397	16,560,439
1926.....	26,037,448	8,037,097	18,000,351
1927.....	27,748,215	8,583,327	19,164,888
1928.....	29,630,709	8,310,134	21,320,575
1929.....	30,663,006	9,882,520	20,780,486

Source: Panama Canal record.

From: S.Doc. No. 116, 73d Cong., 2d sess., p. 333.

EXHIBIT B-2

Class I railroads, freight-traffic statistics, western district, years 1915 to 1929

Year:	Total revenue tons transported
1915.....	449,329,900
1916.....	597,922,728
1917.....	641,821,656
1918.....	618,013,310
1919.....	581,748,208
1920.....	657,982,457
1921.....	489,655,851
1922.....	550,893,389
1923.....	657,112,479
1924.....	642,062,002
1925.....	672,210,065
1926.....	694,863,595
1927.....	676,217,333
1928.....	695,989,671
1929.....	727,098,737

Source: 1915 to 1921, inclusive, from Bureau of Railway Economics' Statistical Summary No. 1, November 1922; 1922 to 1929 inclusive, from Interstate Commerce Commission annual reports.

From: S.Doc. No. 116, p. 343, 73d Cong., 2d sess.

EXHIBIT B-3

Domestic water-borne commerce on Great Lakes, 1920-29

Year:	Tons
1920.....	93,750,979
1921.....	58,947,310
1922.....	81,032,958
1923.....	110,857,646
1924.....	93,702,753
1925.....	113,644,259
1926.....	120,794,460
1927.....	119,775,882
1928.....	125,779,900
1929.....	141,185,869

Source: Report of Chief of Engineers, United States of America.
From: S.Doc. No. 116, p. 285, 73d Cong., 2d sess.

EXHIBIT B-4

Statement showing revenue tons transported by class I carriers, eastern district, 1920 to 1929, inclusive

Year:	Revenue tons transported
1920.....	1,253,468,027
1921.....	934,694,000
1922.....	975,691,000
1923.....	1,295,112,000
1924.....	1,146,945,000
1925.....	1,208,296,000
1926.....	1,309,242,000
1927.....	1,237,668,000
1928.....	1,238,607,000
1929.....	1,294,927,000

Authority: Annual reports of Interstate Commerce Commission, years, 1920 to 1929, inclusive.

EXHIBIT B-5

Class I, II, and III railroads and their nonoperating subsidiaries—
dividends—eastern district, 1920-29

Year:	Dividends declared (amount)
1920.....	\$129,396,000
1921.....	162,229,000
1922.....	137,666,000
1923.....	153,999,000
1924.....	163,870,000
1925.....	176,259,000
1926.....	201,823,000
1927.....	298,525,000
1928.....	225,666,000
1929.....	273,954,000
Total.....	1,923,387,000
Annual average.....	192,338,700

Source: Data submitted by Hon. Joseph B. Eastman, then member of the Interstate Commerce Commission and now Coordinator of Railroads, to the House Committee on Interstate and Foreign Commerce, hearings on H.R. 7116 and 7117, p. 357-437. (72d Cong., 1st sess., January-February 1932.)
From: S.Doc. No. 116, p. 324, 73d Cong., 2d sess.

EXHIBIT C

Statement of all-rail rates (first class) as of 1918 compared with
present rates, between representative points, showing percent of
advance in the present rates over rates of 1918

From—	To—	First-class rate		Percent advance
		1918	1934	
Boston, Mass.....	Chicago, Ill.....	75	154	105
Do.....	Milwaukee, Wis.....	75	154	105
Do.....	Minneapolis, Minn.....	115	217	88
Do.....	Duluth, Minn.....	115	217	88
New York, N.Y.....	Chicago, Ill.....	75	152	102
Do.....	Milwaukee, Wis.....	75	152	102
Do.....	Minneapolis, Minn.....	115	212	84
Do.....	Duluth, Minn.....	115	212	84
Chicago, Ill.....	Minneapolis, Minn.....	60	128	113
Do.....	Duluth, Minn.....	63	133	111

Authority for old rates: I.C.C. files.
Authority for new rates: prescribed by I.C.C. in docket 15879, 164 I.C.C. 314
and in docket 17000-2, 164 I.C.C. 1.

EXHIBIT D

THE ATCHISON, TOPEKA & SANTA FE RAILWAY CO.
(Report for the year ended Dec. 31, 1932)

109. Voting powers and elections

1. State the par value of each share of stock: Common, \$100 per share; first preferred, \$100 per share; second preferred, \$— per share; debenture stock, \$— per share.
2. State whether or not each share of stock has the right to 1 vote; if not, give full particulars in a footnote. Each share has a right to 1 vote.
3. Are voting rights proportional to holdings? Yes. If not, state in a footnote the relation between holdings and corresponding voting rights.
4. Are voting rights attached to any securities other than stock? No. If so, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and, if contingent, showing the contingency.
5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No. If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.
6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purposes of such closing. March 28, 1932; for annual meeting of the stockholders held at Topeka, Kans., April 28, 1932.
7. State the total voting power of all security holders of the respondent at the date of such closing, if within 1 year of the date of such filing; if not, state as of the close of the year: 3,668,788 votes, as of December 31, 1932.
8. State the total number of stockholders of record, corresponding to the answer to inquiry no. 7: 59,630 stockholders.
9. Give the names of the 20 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such 20 security holders as of the close of the year.

Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	Number of votes, classified with respect to securities on which based			
			Stocks			Other securities with voting power (g)
			Common (d)	Preferred (e)	First (f)	
Barnes & Co.....	New York, N.Y.....	39,166	21,345		17,821	
The Equitable Life Assurance Society of the United States.....	do.....	35,080	11,680		23,400	
Maatschappij tot Beheer van het Administratiekantoor opgericht door, Hubrecht, Van Harencaarspel & Vas Visser, N.V.....	Amsterdam, Holland.....	34,120	34,120			
Morgan, Turner & Co.....	New York, N.Y.....	33,615	33,010		605	
Sigler & Co.....	do.....	28,570	16,026		12,544	
The Home Insurance Co.....	do.....	28,500	17,800		10,700	
The Rockefeller Foundation.....	do.....	26,944	21,944		5,000	
Metropolitan Life Insurance Co.....	do.....	25,000			25,000	
The Prudential Insurance Co. of America.....	Newark, N.J.....	24,500			24,500	
New York Life Insurance Co.....	New York, N.Y.....	19,200			19,200	
Eddy & Co.....	do.....	19,147	14,368		4,749	
Elisabeth Mills Reid.....	do.....	17,245	11,995		5,250	
Atwell & Co.....	do.....	16,849	10,469		6,380	
A. Iselin & Co.....	do.....	15,721	13,314		2,407	
C. A. England & Co.....	do.....	14,570	9,585		4,985	
Acly Co.....	Pittsburgh, Pa.....	13,416	13,416			
Nats Disco.....	New York, N.Y.....	11,739				
James Capel & Co.....	London, England.....	11,047	9,539		1,508	
Blass & Co.....	New York, N.Y.....	10,973	9,508		1,465	
Nats Cumco.....	do.....	10,898	10,898			

The above is a transcript from our records, but as a matter of fact, the holdings of a number of the registered holders above really cover holdings of many individuals and firms.

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: 2,153,219 votes cast.

11. Give the date and place of such meeting: April 28, 1932, Topeka, Kans.

BALTIMORE & OHIO RAILROAD CO.
(Report for the year ended Dec. 31, 1932)

109. Voting powers and elections

1. State the par value of each share of stock: Common, \$100 per share; preferred, \$100 per share; second preferred, \$— per share; debenture stock, \$— per share.

2. State whether or not each share of stock has the right to 1 vote; if not, give full particulars in a footnote. Yes.

3. Are voting rights proportional to holdings? Yes. If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No. If so, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent; and if contingent, showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No. If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing. Record date, October 15, 1932. Books do not close.

7. State the total voting power of all security holders of the respondent at the date of such closing, if within 1 year of the date of such filing; if not, state as of the close of the year: 3,151,585 votes, as of October 15, 1932.

8. State the total number of stockholders of record corresponding to the answer to inquiry no. 7: 48,064 stockholders.

9. Give the names of the 20 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such 20 security holders as of the close of the year.

Name of security holder	Address of security holder	Number of votes to which security holder was entitled	Number of votes, classified with respect to securities on which based			
			Stocks			Other securities with voting power
			Common	Preferred		
				Second	First	
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Union Pacific R.R. Co.	New York, N.Y.	80,731	62,671	18,060		
Swiss Bank Corporation	Basel, Switzerland	51,195	51,137	58		
Maatschappij tot Beheer	Amsterdam, Holland	32,728	32,728			
Dyer, Hudson & Co.	New York, N.Y.	31,351	31,329	22		
Marif F. Jacobs	Baltimore, Md.	17,130	8,440	8,690		
Estate of P. A. B. Widener	Philadelphia, Pa.	16,520	16,520			
Credit Suisse	Zurich, Switzerland	16,024	16,021	3		
A. Iselin & Co.	New York, N.Y.	15,118	12,088	3,030		
Barnes & Co.	do	14,156	9,902	4,254		
J. W. Davis & Co.	do	12,736	12,708	28		
Lee & Co.	do	12,205	10,835	1,320		
Hurley & Co. (a partnership)	do	11,615	11,418	134		
Fidelity-Phenix Fire Insurance Co.	do	11,000	8,000	3,000		
Shelmerdine Securities Co.	Philadelphia, Pa.	10,750	10,750			
William M. Potts	Wyebrook, Pa.	10,700	10,000			
H. Rodney Sharp	Wilmington, Del.	10,000	10,000			
Wonham Albert & Co.	New York, N.Y.	9,532	9,381	151		
Sigler & Co.	do	9,115	7,593	1,523		
C. A. England & Co.	do	8,801	4,958	3,843		
The Commonwealth Fund	do	8,750	2,750	6,000		
Total		390,158	340,042	50,116		

¹ Trustee under agreement with Pierre S. du Pont, dated Apr. 2, 1930.

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: 1,511,617 votes cast.

11. Give the date and place of such meeting: November 21, 1932, Baltimore, Md.

THE CHESAPEAKE & OHIO RAILWAY CO.
(Report for the year ended Dec. 31, 1932)

109. Voting powers and elections

1. State the par value of each share of stock: Common, \$25 per share; first preferred, \$100 per share; second preferred, \$100 per share; debenture stock, none; 6½-percent cumulative convertible preferred, series A, \$100 per share. (See note 1.)

2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote. Yes. (See note 2.)

3. Are voting rights proportional to holdings? Yes. If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No. If so, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determi-

nation of corporate action by any method? No. If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing. (See note 3.)

7. State the total voting power of all security holders of the respondent at the date of such closing if within 1 year of the date of such filing; if not, state as of the close of the year: 7,654,077 votes as of December 31, 1932.

8. State the total number of stockholders of record, corresponding to the answer to inquiry no. 7: 18,432 stockholders.

9. Give the names of the 20 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such 20 security holders as of the close of the year.

Guaranty Trust Co. of New York as trustee under collateral trust indenture dated May 15, 1927, made by— (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	Number of votes, classified with respect to securities on which based			
			Stocks			Other securities with voting power (g)
			Common (d)	Preferred		
				Second (e)	First (f)	
The Chesapeake Corporation.....	New York City.....	2, 449, 300	2, 449, 300			
F. K. Gibbons.....	do.....	123, 520	123, 520			
F. W. Martin.....	do.....	115, 522	115, 522			
M. P. Nugent.....	do.....	108, 500	108, 500			

Guaranty Trust Co. of New York as trustee under collateral trust indenture dated May 15, 1927, made by—	Address of security holder	Number of votes to which security holder was entitled	Number of votes, classified with respect to securities on which based			
			Stocks			Other securities with voting power
			Common	Preferred		
				Second	First	
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Shaw & Co.	New York City	100,935	100,935			
Salkeld & Co.	do	87,920	87,920			
Frank Rhodes	do	85,000	85,000			
I. A. Ackerman	do	80,000	80,000			
R. N. Bergen	do	80,000	80,000			
C. M. Bleiler	do	80,000	80,000			
A. J. Dunn	do	80,000	80,000			
A. Elliott	do	80,000	80,000			
R. H. Gaunt, Jr.	do	80,000	80,000			
C. S. Hawkins	do	80,000	80,000			
W. C. Horn	do	80,000	80,000			
A. C. Lange	do	80,000	80,000			
J. G. Sullivan	do	80,000	80,000			
F. Timothy	do	80,000	80,000			
C. F. Anderson	do	78,388	78,388			
George F. Baker, Jr.	do	60,000	60,000			

NOTE 1.—During 1930 the par value of this company's common stock was changed from \$100 per share to \$25 per share. As of Dec. 31, 1932, there were certificates representing 19,594 shares of \$100 par value common stock still outstanding and not exchanged.

NOTE 2.—Shares of common stock of the par value of \$100 each were changed into four shares of the par value of \$25 each, and by stockholders' and directors' actions, shares evidenced by certificates representing \$100 par common stock are not entitled to vote until exchanged for certificates representing the equivalent number of shares of common stock of the par value of \$25.

NOTE 3.—Stock books were not closed during 1932, but a list was compiled of the stockholders of record at the close of business Dec. 8, 1932, for dividends on 6½-percent cumulative convertible preferred stock, series A, and on common stock, both payable Jan. 1, 1933.

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: 5,898,160 votes cast.

11. Give the date and place of such meeting: April 19, 1932, at Richmond, Va.

CHICAGO & NORTH WESTERN RAILWAY CO.

(Report for the year ended Dec. 31, 1932)

109. Voting powers and elections

1. State the par value of each share of stock: Common, \$100 per share; first preferred, \$100 per share; second preferred, none; debenture stock, none.

2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote. Each share has right to one vote.

3. Are voting rights proportional to holdings? Yes. If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No. If so, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.

5. Has any class of issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No. If so, describe

fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing: March 9, 1933, for the purpose of annual meeting of stockholders, April 11, 1933.

7. State the total voting power of all security holders of the respondent at the date of such closing, if within 1 year of the date of such filing; if not, state as of the close of the year: 1,808,347 votes, as of March 9, 1933.

8. State the total number of stockholders of record, corresponding to the answer to inquiry no. 7: 18,527 stockholders.

9. Give the names of the 20 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such 20 security holders as of the close of the year.

Name of security holder	Address of security holder	Number of votes to which security holder was entitled	Number of votes, classified with respect to securities on which based			
			Stocks			Other securities with voting power
			Common	Preferred		
				Second	First	
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Oregon Short Line R.R.Co.	New York, N.Y.	44,206	44,206			
Thomson & McKinnon	do	23,381	22,375		1,006	
Hayden, Stone & Co.	do	23,305	23,295		10	
Vanderbilt, F. W.	do	22,000	12,000		10,000	
Vanderbilt, H. S.	do	20,250	12,000		8,250	
Atwell & Co.	do	14,751	10,196		4,555	
United States Trust Co. of New York	do	14,420	10,020		4,400	
Kling & Co.	do	13,741	12,362		1,379	
Green Estate, Inc.	do	10,911	10,911			
Paine, Webber & Co.	do	10,545	10,469		85	
Hornblower & Weeks	do	10,365	10,090		275	
Davis, J. W. & Co.	do	9,290	9,290			
Continental Illinois Bank & Trust Co., Marshall Field and George Richardson, trustees under last will of Marshall Field, deceased	Chicago, Ill.	9,200	7,100		2,100	
Lee & Co.	New York, N.Y.	8,855	8,835		20	
Moore & Co., D. T.	do	8,166	6,966		1,200	
Hutton & Co., E. F.	do	7,099	7,456		240	
Dominick & Dominick	do	7,348	6,063		1,285	
Slade & Co.	do	6,803	6,803			
Vanderbilt, William K.	do	6,750	2,500		4,250	
Union Trust Co., The, of Pittsburgh, trustee for the Massachusetts Institute of Technology, et al., under agreement dated June 1, 1925.	Pittsburgh, Pa.	6,633	6,633			

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: 1,125,808 votes cast.

11. Give the date and place of such meeting: April 12, 1932, Chicago, Ill.

CHICAGO, BURLINGTON & QUINCY RAILROAD CO.

(Report for the year ended Dec. 31, 1932)

109. Voting powers and elections

1. State the par value of each share of stock: Common, \$100 per share; first preferred, \$— per share; second preferred, \$— per share; debenture stock, \$— per share.

2. State whether or not each share of stock has the right to 1 vote; if not, give full particulars in a footnote. One vote per share.

3. Are voting rights proportional to holdings? Yes. If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No. If so, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No. If so, describe

fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing: April 2, 1932. For annual meeting of stockholders, May 4, 1932.

7. State the total voting power of all security holders of the respondent at the date of such closing, if within 1 year of the date of such filing; if not, state as of the close of the year: 1,708,387 votes as of April 2, 1932.

8. State the total number of stockholders of record, corresponding to the answer to inquiry no. 7: 429 stockholders.

9. Give the names of the 20 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such 20 security holders as of the close of the year.

Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	Number of votes, classified with respect to securities on which based			
			Stocks		Other securities with voting power (g)	
			Common (d)	Preferred (e) (f)		
First National Bank of the City of New York, trustee.....	New York, N.Y.....	829,337	829,337			
Guaranty Trust Co., trustee.....	do.....	829,337	829,337			
Morton H. Niles.....	do.....	11,670	11,670			
Nicholas Steckhammer.....	do.....	11,393	11,393			
Merrick & Co.....	do.....	1,272	1,272			
Arthur Curtiss James.....	do.....	2,093	2,093			
Salkeld & Co.....	do.....	887	887			
Rachel Hill Boeckmann.....	St. Paul, Minn.....	886	886			
Gertrude Hill Gavin.....	New York, N.Y.....	886	886			
Mary Hill Hill.....	do.....	886	886			
Fort Benton Co.....	St. Paul, Minn.....	886	886			
Clara Hill Lindley.....	New York, N.Y.....	809	809			
E. A. Gay.....	do.....	774	774			
Juliette Leither ¹	Chicago, Ill.....	770	770			
Harry F. Smith.....	New York, N.Y.....	621	621			
King & Co.....	do.....	544	544			
George T. Slade.....	do.....	505	505			
Merchants Fire Assurance Corporation of New York.....	do.....	500	500			
Edward G. Miner.....	Rochester, N.Y.....	464	464			
Sigler & Co.....	New York, N.Y.....	462	462			

¹ Et al., trustees under last will and testament of Joseph Leither, deceased.

NOTE.—Majority of capital stock held by the First National Bank of the City of New York and the Guaranty Trust Co. of New York for the Great Northern and Northern Pacific Ry. Cos.

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: 1,693,391 votes cast.

11. Give the date and place of such meeting: May 4, 1932, Chicago, Ill.

CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RAILROAD CO.

(Report for the year ended Dec. 31, 1932)

109. Voting powers and elections

1. State the par value of each share of stock: Common, no par; first preferred, \$100 per share; second preferred, — per share; debenture stock, — per share.

2. State whether or not each share of stock has the right to 1 vote; if not, give full particulars in a footnote. Yes.

3. Are voting rights proportional to holdings? Yes. If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No. If so, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent, showing the contingency: Not applicable.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No. If so, describe

fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges. Not applicable.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing: Closed April 9, 1932, for annual meeting of stockholders held May 10, 1932.

7. State the total voting power of all security holders of the respondent at the date of such closing, if within 1 year of the date of such filing; if not, state as of the close of the year: 2,366,999 votes, as of April 9, 1932.

8. State the total number of stockholders of record, corresponding to the answer to inquiry no. 7: 16,021 stockholders.

9. Give the names of the 20 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such 20 security holders as of the close of the year.

Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	Number of votes, classified with respect to securities on which based			
			Stocks		Other securities with voting power (g)	
			Common (d)	Preferred (e) First (f)		
The voting trustees under agreement dated Dec. 31, 1927 by and between the owners of preferred stock and common stock of Chicago, Milwaukee, St. Paul and Pacific R.R. Co. and Elihu Root, Frederick H. Ecker, Henry S. Pritchett, Harry E. Byram and Henry A. Scandrett voting trustees.	New York, N.Y.	307,100	190,460		116,640	
Director General of Railroads.	Washington, D.C.	32,070			32,070	
Roosevelt & Co.	New York, N.Y.	26,589	18,769		7,820	
Hurley & Co.	do	23,856	2,647		21,209	
Thomson & McKinnon.	do	22,212	2,560		19,652	
Jas. H. Oliphant & Co.	do	22,205	3,075		19,130	
Arthur Lipper & Co.	do	21,725	10,465		11,260	
Eric & Drevers.	do	21,600	20,900		700	
Harrigan & Co.	do	19,100			19,100	
Oregon Short Line R.R. Co.	do	18,450			18,450	
Abraham & Co.	do	18,400	1,350		17,050	
Charles Otis.	do	16,500	13,500		3,000	
Post & Flag.	do	14,524	6,289		8,235	
E. F. Hutton & Co.	do	13,855	7,580		6,275	
Winthrop, Mitchell & Co.	do	13,215	8,698		4,517	
Joseph R. Warner.	Newark, N.J.	13,200	10,700		2,500	
C. A. England & Co.	New York, N.Y.	12,914	7,911		5,003	
Shippee & Rawson.	do	12,830	4,460		8,370	
Earle Krapp.	do	11,200	1,200		10,000	
Chas. Pratt & Co.	do	10,200	3,600		6,600	

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: 1,302,831 votes cast.

11. Give the date and place of such meeting: May 10, 1932, at Milwaukee, Wis.

CHICAGO, ROCK ISLAND & PACIFIC RAILWAY CO.

(Report for the year ended Dec. 31, 1932)

109. Voting powers and elections

1. State the par value of each share of stock: Common, \$100 per share; 7-percent preferred, \$100 per share; 6-percent preferred, \$100 per share; debenture stock, none.

2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote. Yes.

3. Are voting rights proportional to holdings? Yes. If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No. If so, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent, showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No. If so, describe fully

in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report and state the purpose of such closing: April 5, 1932, annual stockholders' meeting.

7. State the total voting power of all security holders of the respondent at the date of such closing, if within 1 year of the date of such filing; if not, state as of the close of the year: 1,289,074 votes, as of April 5, 1932.

8. State the total number of stockholders of record, corresponding to the answer to inquiry no. 7: 15,112 stockholders.

9. Give the names of the 20 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such 20 security holders as of the close of the year.

Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	Number of votes, classified with respect to securities on which based			
			Stocks		Other securities with voting power (g)	
			Common (d)	Preferred (e) 6 percent 7 percent (f)		
St. Louis-San Francisco Ry. Co.	120 Broadway, New York City	183,333	183,333			
Blass & Co.	214 Broadway, New York City	46,070	45,100	250	1,320	
Hayden Stone & Co.	25 Broad Street, New York City	25,127	22,532	1,930	665	
Blake Bros., account of Maatschappij, etc.	5 Nassau Street, New York City	21,572	10,548		11,024	
Joseph R. Warner	Essex Fells, N.J.	9,600	9,600			
Frederick T. Fisher	17 Battery Place, New York City	9,300	5,000	2,200	2,100	
Sigler & Co.	70 Broadway, New York City	8,923	5,655	2,452	816	
Wonham, Albert & Co.	64 Wall Street, New York City	8,698	3,950	500	4,248	
Roosevelt & Son.	20 Pine Street, New York City	7,500	6,925	515	150	
E. H. H. Simmons & Co.	62 Broadway, New York City	7,200	7,200			
Thomas L. Manson & Co.	120 Broadway, New York City	6,400	6,400			
Edward N. Brown.	do	5,000	5,000			
Schmitz & Co.	Care of Guaranty Trust Co., New York City	4,719	2,549	700	1,470	
Munds & Winslow.	25 Broad Street, New York City	4,100	4,100			
Rheinhardt & Bennett.	62 Broadway, New York City	4,000	4,000			
Walter J. Laird.	Care of Wilmington Trust Co., Wilmington, Del.	4,000	4,000			
Edmonds & Pentz.	26 Broadway, New York City	3,900	3,900			
N. V. Hollandsche, etc.	Care of J. P. Morgan & Co., New York City	3,850	3,850			
E. A. Pierce & Co.	40 Wall Street, New York City	3,776	2,967	201	608	
Arthur J. Harrison.	Care of Speyer & Co., New York City	3,738	2,900	838		

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: 920,936 votes cast.

11. Give the date and place of such meeting: May 5, 1932, Chicago, Ill.

GREAT NORTHERN RAILWAY CO.

(Report for the year ended Dec. 31, 1932)

109. Voting powers and elections

1. State the par value of each share of stock: Common, none; first preferred, \$100 per share; second preferred, none; debenture stock, none.

2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote. Yes.

3. Are voting rights proportional to holdings? Yes. If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No. If so, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent; and if contingent, showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No. If so, describe fully in a footnote each such class or issue and give a succinct

statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing. Books closed April 15, 1932, for annual meeting May 12, 1932; reopened May 13, 1932.

7. State the total voting power of all security holders of the respondent at the date of such closing, if within 1 year of the date of such filing; if not, state as of the close of the year: 2,488,695 votes, as of April 15, 1932.

8. State the total number of stockholders of record, corresponding to the answer to inquiry no. 7: 39,401 stockholders.

9. Give the names of the 20 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such 20 security holders as of the close of the year.

Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	Number of votes, classified with respect to securities on which based			
			Stocks		Other securities with voting power	
			Common (d)	Preferred (e) (f)		
Astor, Vincent.....	23 West 26th Street, New York City.....	7,000.....			7,000.....	
Baffin Investment Co., Ltd.....	Care of Royal Trust Co., 105 St. James Street, Montreal, Quebec.....	10,000.....			10,000.....	
Baker, Stephen, et al., executors.....	40 Wall Street, New York City.....	21,147.....			21,147.....	
Blass & Co.....	Care of Trust Department, Chase National Bank, New York City.....	6,649.....			6,649.....	
Brown & Ives.....	P. O. Box 1436, Providence, R.I.....	6,700.....			6,700.....	
Capel, James & Co.....	10 Old Bond Street, London, England.....	8,060.....			8,060.....	
George H. Church and John Garver, joint tenants.....	55 Wall Street, New York City.....	15,000.....			15,000.....	
Clark Dodge & Co.....	61 Wall Street, New York City.....	6,711.....			6,711.....	
Continental Insurance Co.....	80 Maiden Lane, New York City.....	6,500.....			6,500.....	
Curtiss Southwestern Co.....	40 Wall Street, New York City.....	52,850.....			52,850.....	
Dummer & Co.....	51 Pine Street, New York City.....	10,000.....			10,000.....	
Gaunt, R. H., Jr.....	Care of J. P. Morgan Co., 23 Wall Street, New York City.....	7,385.....			7,385.....	
Hank & Co.....	51 Pine Street, New York City.....	25,600.....			25,600.....	
Hurley & Co.....	55 Wall Street, New York City.....	7,939.....			7,939.....	
King & Co.....	Care of City Bank-Farmers Trust Co., 22 William Street, New York City.....	17,732.....			17,732.....	
Meighen, Frank S., et al., Trustees ¹	Box 8, Montreal, Quebec.....	10,656.....			10,656.....	
National Liberty Insurance Co. of America.....	59 Maiden Lane, New York City.....	6,500.....			6,500.....	
Schmidt & Co.....	Care of Guaranty Trust Co., 140 Broadway, New York City.....	6,719.....			6,719.....	
Sigler & Co.....	Care of Central-Hanover Bank & Trust Co., 70 Broadway, New York City.....	16,057.....			16,057.....	
Wonham, Albert & Co.....	Care of Agents Bank of Montreal, New York City.....	9,416.....			9,416.....	

¹ This company has no particulars of the trust under which Frank S. Meighen et al. hold stock as trustees except that our records show the names of the beneficiaries under the trust.

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: 1,433,963 votes cast.

11. Give the date and place of such meeting: St. Paul, Minn., May 12, 1932.

THE NEW YORK CENTRAL RAILROAD CO.

(Report for the year ended Dec. 31, 1932)

109. Voting powers and elections

1. State the par value of each share of stock: Common, \$100 per share; first preferred, none; second preferred, none; debenture stock, none.

2. State whether or not each share of stock has the right to 1 vote; if not, give full particulars in a footnote. Yes.

3. Are voting rights proportional to holdings? Yes. If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No. If so, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No. If so, describe fully in a footnote each such class or issue and give a

succinct statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing. December 27, 1932, for annual meeting of stockholders.

7. State the total voting power of all security holders of the respondent at the date of such closing, if within 1 year of the date of such filing; if not, state as of the close of the year: 4,992,576.95 votes, as of December 27, 1932.

8. State the total number of stockholders of record, corresponding to the answer to inquiry no. 7: 63,725 stockholders.

9. Give the names of the 20 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such 20 security holders as of the close of the year.

Name of security holder	Address of security holder	Number of votes to which security holder was entitled	Number of votes, classified with respect to securities on which based			
			Stocks			Other securities with voting power
			Common	Preferred		
(a)	(b)	(c)	(d)	Second (e)	First (f)	(g)
Atwell & Co.	New York, N.Y.	19,357	19,357			
George F. Baker, Jr.	do	20,000	20,000			
George F. Baker, Jr., executor estate George F. Baker	do	50,000	50,000			
Cobb & Co.	do	19,947	19,947			
J. W. Davis & Co.	do	27,075	27,075			
Dominick & Dominick	do	18,998	18,998			
Eddy & Co.	do	21,504	21,504			
Gerdes & Co.	do	104,864	104,864			
Hank & Co.	do	20,988	20,988			
Edward S. Harkness	do	52,090	52,090			
A. Iselin & Co.	do	20,548	20,548			
Kordula & Co.	do	25,879	25,879			
Morgan Turner & Co.	do	36,977	36,977			
James H. Oliphant & Co.	do	27,729	27,729			
Oregon Short Line Railroad Co.	do	200,000	200,000			
Salkeld & Co.	do	24,590	24,590			
Frederick W. Vanderbilt	do	25,000	25,000			
Harold S. Vanderbilt	do	148,648	148,648			
William K. Vanderbilt	do	46,185	46,185			
The Rockefeller Foundation	do	52,635	52,635			

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: 2,668,714 votes cast.

11. Give the date and place of such meeting: January 25, 1933, at Albany, N.Y.

THE NEW YORK, CHICAGO, AND ST. LOUIS RAILROAD CO.

(Report for the year ended Dec. 31, 1932)

109. Voting powers and elections

1. State the par value of each share of stock: Common, \$100 per share; cumulative preferred, \$100 per share; second preferred, \$— per share; debenture stock, \$— per share.

2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote. See note.

3. Are voting rights proportional to holdings? See note. If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No. If so, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding

NOTE.—Except with respect to the creation of stock having preference as to dividends or assets over the cumulative preferred stock, holders thereof are not entitled to voting power, but if 4 quarterly dividends upon their stock shall be in arrears, or if the company shall have allowed a continuous period of 2 years to elapse, during the course of which it shall at no time have fully paid up all dividends, due on the cumulative preferred stock, the holders shall be entitled to elect 3 of the directors of the company until all dividends due thereon shall have been paid.

voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? See note. If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing. Stock books not closed.

7. State the total voting power of all security holders of the respondent at the date of such closing, if within 1 year of the date of such filing; if not, state as of the close of the year: 337,410 votes as of December 31, 1932.

8. State the total number of stockholders of record, corresponding to the answer to inquiry no. 7: 1,753 stockholders.

9. Give the names of the 20 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities, if any. If any such holder held in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such 20 security holders as of the close of the year.

Name of security holder	Address of security holder	Number of votes to which security holder was entitled	Number of votes, classified with respect to securities on which based			
			Stocks		Other securities with voting power	
			Common	Preferred		
(a)	(b)	(c)	(d)	Second (e)	First (f)	(g)
Wilson & Co.	New York, N.Y., care of New York Trust Co.	167,300	167,300			
A. Elliot	New York, N.Y.	12,800	12,800			
Paine, Webber & Co.	do	8,815	8,815			
Marquette Corporation	Wilmington, Del.	6,888	6,888			
Miami Corporation	Chicago, Ill.	5,000	5,000			
Travelers Insurance Co.	Hartford, Conn.	4,000	4,000			
The Home Insurance Co.	New York, N.Y.	3,000	3,000			
Harrigan & Co.	do	2,800	2,800			
Perkins & Co.	Jersey City, N.J.	2,777	2,777			
F. K. Gibbons	New York, N.Y.	2,600	2,600			
Charles W. Prescott	Erie, Pa.	1,989	1,989			
Hornblower & Weeks	New York, N.Y.	1,931	1,931			
Wenham Albert & Co.	do	1,825	1,825			
Ward, Gruver & Co.	do	1,600	1,600			
Virginia Transportation Corporation	Cleveland, Ohio	1,400	1,400			
Hurley & Co.	New York, N.Y.	1,305	1,305			
Miss Julia C. Fish	Cleveland, Ohio	1,300	1,300			
Millett, Roe & Co.	New York, N.Y.	1,300	1,300			
Henderson & Co.	do	1,200	1,200			
J. W. Davis & Co.	do	1,170	1,170			

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: 257,867 votes cast.

11. Give the date and place of such meeting: May 4, 1932, Cleveland, Ohio.

NORTHERN PACIFIC RAILWAY CO.

(Report for the year ended Dec. 31, 1932)

109. Voting powers and elections

1. State the par value of each share of stock: Common, \$100 per share; first preferred, none; second preferred, none; debenture stock, none.

2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote. Yes.

3. Are voting rights proportional to holdings? Yes. If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No. If so, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No. If so, describe fully in a footnote each such class or issue and give a suc-

cinct statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing. March 11, 1932; for annual meeting of stockholders, April 12, 1932.

7. State the total voting power of all security holders of the respondent at the date of such closing, if within 1 year of the date of such filing; if not, state as of the close of the year. 2,479,984 votes, as of December 31, 1932.

8. State the total number of stockholders of record, corresponding to the answer to inquiry no. 7. 36,409 stockholders.

9. Give the names of the 20 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such 20 security holders as of the close of the year.

Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	Number of votes, classified with respect to securities on which based			
			Stocks		Other securities with voting power (g)	
			Common (d)	Preferred (e) (f)		
Curtiss Southwestern Corporation	40 Wall Street, New York	52,716	52,716			
Baker, Stephen and F. Leonard Kellogg, executors of the last will and testament of Emma B. Kennedy, deceased.	do.	29,737	29,737			
Kordula & Co.	22 William Street, New York	23,664	23,664			
Baker, Jr., George F.	2 Wall Street, New York	21,000	21,000			
Northwestern Improvement Co.	34 Nassau Street, New York	19,291	19,291			
Hurley & Co.	55 Wall Street, New York	15,936	15,936			
Baffin Investment Co., Ltd.	105 St. James Street, Montreal, Canada	15,000	15,000			
Sigler & Co.	70 Broadway, New York	14,588	14,588			
Moore, D. T. & Co.	50 Broad Street, New York	12,895	12,895			
Schmidt & Co.	140 Broadway, New York	12,592	12,592			
Gaunt, Jr., R. H.	23 Wall Street, New York	11,997	11,997			
Meighen, Frank S., Geo. H. Smithers, Geo. S. Cantlie, trustees under the Lord Mount Stephen settlement of Oct. 15, 1898. ¹	P.O. box 8, Montreal, Canada	11,054	11,054			
The Board of National Missions of the Presbyterian Church in the United States of America.	156 Fifth Avenue, New York	10,000	10,000			
Dummer & Co.	51 Pine Street, New York	10,000	10,000			
Griswold, Evelyn Sloane.	5th Avenue and 47th Street, New York	10,000	10,000			
Baring Bros. & Co., Ltd.	London, E.C., England	9,970	9,970			
Jesup & Lamont	26 Broadway, New York	9,326	9,326			
Messrs. James Capel & Co.	London, E.C., England	9,094	9,094			
Wohnam, Albert & Co.	64 Wall Street, New York	9,024	9,024			
Rhodes, Frank	23 Wall Street, New York	8,923	8,923			

¹ No particulars of the trust under which F. S. Meighen et al., trustees, hold stock, are available.

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: 1,387,669 votes cast.

11. Give the date and place of such meeting: April 12, 1932; 34 Nassau Street, New York City.

THE PENNSYLVANIA RAILROAD CO.

(Report for the year ended Dec. 31, 1932)

109. Voting powers and elections

1. State the par value of each share of stock: Common, \$50 per share; first preferred, \$ x per share; second preferred, \$ x per share; debenture stock, \$ x per share.

2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote. Yes.

3. Are voting rights proportional to holdings? Yes. If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No. If so, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent, showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No. If so, describe

fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing. Never close.

7. State the total voting power of all security holders of the respondent at the date of such closing, if within 1 year of the date of such filing; if not, state as of the close of the year: 13,167,696 votes, as of December 31, 1932.

8. State the total number of stockholders of record, corresponding to the answer to inquiry no. 7: 250,506 stockholders.

9. Give the names of the 20 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year show such 20 security holders as of the close of the year.

Name of security holder	Address of security holder	Number of votes to which security holder was entitled	Number of votes, classified with respect to securities on which based			
			Stocks			Other securities with voting power
			Common	Preferred		
(a)	(b)	(c)	(d)	Second (e)	First (f)	(g)
Union Pacific R.R. Co.....	120 Broadway, New York.....	100,000	100,000			
Morgan Turner & Co.....	Care of Chase National Bank, New York.....	46,247	46,247			
Harrigan & Co.....	70 Broadway, New York.....	42,588	42,588			
Hurley & Co.....	55 Wall Street, New York.....	26,247	26,247			
J. Marshall Lockhart.....	1512 Union Bank Building, Pittsburgh, Pa.....	25,500	25,500			
Blass & Co.....	Care of Chase National Bank, New York.....	25,460	25,460			
Kordula & Co.....	Care of Farmers Loan & Trust Co., 22 William Street, New York.....	23,378	23,378			
Hayden Stone & Co.....	25 Broad Street, New York.....	20,972	20,972			
William M. Potts.....	Wyebrook, Pa.....	20,300	20,300			
Wonham Albert & Co.....	64 Wall Street, New York.....	18,411	18,411			
General Education Board.....	Room 2602, 61 Broadway, New York.....	17,867	17,867			
The Home Insurance Co.....	59 Maiden Lane, New York.....	17,600	17,600			
Maatschappij, etc. ¹	Care of Kuhn, Loeb & Co., New York.....	17,318	17,318			
Fahnestock & Co.....	1 Wall Street, New York.....	16,698	16,698			
Real Estate Trust Co., etc. ¹	Philadelphia, Pa.....	16,600	16,600			
Salkeld & Co.....	16 Wall Street, New York.....	15,357	15,357			
Bank of New York & Trust Co.....	52 Wall Street, New York.....	15,350	15,350			
Sigler & Co.....	Care of Central Hanover Bank & Trust Co., New York.....	15,273	15,273			
Travelers Insurance Co.....	Hartford, Conn.....	15,200	15,200			
James Capel & Co.....	Care of J. P. Morgan & Co., P.O. box 1266, New York.....	14,412	14,412			

¹ Maatschappij tot Beheer van het Administratiekantoor van Amerikaansche Spoorwegwaarden Opgericht door Wertheim and Gompertz, Westendorp & Co. en F. W. Oewel, N. V. Translated in English to be: Limited company for the management of the Administration Office of American Railroad Securities, established by Wertheim and Gompertz, Westendorp & Co. and F. W. Oewel.

² Real Estate Trust Co. of Philadelphia. Sallie S. Houston, S. F. Houston, George B. Bonnell, Edgar Dudley Faries, trustees of estate of Henry H. Houston.

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: 7,105,300 votes cast.

11. Give the date and place of such meeting: April 26, 1932, Philadelphia, Pa.

UNION PACIFIC RAILROAD CO.

(Report for the year ended Dec. 31, 1932)

109. Voting powers and elections

1. State the par value of each share of stock: Common, \$100 per share; first preferred, \$100 per share; second preferred, \$— per share; debenture stock, \$— per share.

2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote. Yes.

3. Are voting rights proportional to holdings? Yes. If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No. If so, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent, showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No. If so, describe fully in a

footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing. April 11, 1932, for annual meeting of stockholders.

7. State the total voting power of all security holders of the respondent at the date of such closing, if within 1 year of the date of such filing; if not, state as of the close of the year. 3,218,341 votes as of April 11, 1932.

8. State the total number of stockholders of record corresponding to the answer to inquiry no. 7. 46,103 stockholders.

9. Give the names of the 20 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such 20 security holders as of the close of the year.

Name of security holder	Address of security holder	Number of votes to which security holder was entitled	Number of votes, classified with respect to securities on which based			
			Stocks			Other securities with voting power
			Common	Preferred		
				Second	First	
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Atwell & Co.	New York, N.Y.	11,426	5,988		5,438	
Brown Bros., Harriman & Co.	do	16,029	10,770		5,259	
Chicago & North Western Ry. Co.	do	41,715			41,715	
J. W. Davis & Co.	do	11,993	11,723		270	
C. A. England & Co.	do	15,321	8,246		7,075	
Equitable Life Assurance Society	do	21,182			21,182	
Edward S. Harkness	do	12,800	12,800			
E. R. N. Harriman	do	17,531	15,508		2,023	
William Averell Harriman	do	14,008	14,008			
The Home Insurance Co.	do	18,300	7,800		10,500	
A. Iselin & Co.	do	21,183	18,667		2,516	
Kennedy-Kennedy Realty Co., Inc.	Boston, Mass.	12,500	12,500			
Kugler & Co.	New York, N.Y.	15,274	15,274			
Kuhn, Loeb & Co.	do	19,120	15,710		3,410	
Maatschappij, Broes & Gosman	Amsterdam, Holland	81,286	52,350		28,936	
Morgan, Turner & Co.	New York, N.Y.	43,963	41,896		2,067	
New York Life Insurance Co.	do	21,970			21,970	
J. & W. Seligman & Co.	do	11,762	11,064		698	
Sigler & Co.	do	26,313	20,963		5,350	
Weber & Co.	do	25,413	12,439		12,974	

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: 2,295,391 votes cast.

11. Give the date and place of such meeting: May 10, 1932, Salt Lake City, Utah.

WABASH RAILWAY CO.—WALTER S. FRANKLIN AND FRANK C. NICODEMUS, JR., RECEIVERS

(Report for the year ended Dec. 31, 1932)

109. Voting powers and elections

1. State the par value of each share of stock: Common, \$100 per share; first preferred, none; second preferred, none; debenture stock, none.

2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote. Yes.

3. Are voting rights proportional to holdings? Yes. If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No. If so, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No. If so, describe

fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing: April 16, 1932, annual meeting of stockholders.

7. State the total voting power of all security holders of the respondent at the date of such closing, if within 1 year of the date of such filing; if not, state as of the close of the year: 1,384,925 votes, as of April 16, 1932.

8. State the total number of stockholders of record, corresponding to the answer to inquiry no. 7: 4,983 stockholders.

9. Give the names of the 20 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such 20 security holders as of the close of the year.

Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	Number of votes, classified with respect to securities on which based			
			Stocks		Other securities with voting power (g)	
			Common (d)	Preferred (e) Second (f) First		
Pennsylvania Co.	Philadelphia, Pa.	675,800	362,900		312,900	
Union Pacific R.R. Co.	New York, N.Y.	58,300			58,300	
(g)	Amsterdam, Holland.	37,972	32,993	129	4,850	
Gray & Wilmerding	New York, N.Y.	31,420	9,400	100	21,920	
Joseph R. Warner	do.	10,300	15,500		800	
F. B. Keech & Co.	do.	12,135	750	1,500	9,885	
Chas. D. Barney & Co.	do.	8,740	8,440		300	
Thomson & McKinnon	do.	8,110	4,260		3,850	
Ladenburg, Thalmann & Co.	do.	8,070	5,550	700	1,820	
Emory, Freed & Co.	Philadelphia, Pa.	7,255	5,220		2,035	
Robert Goelet	New York, N.Y.	7,000			7,000	
Newborg & Co.	do.	6,161	2,400	615	3,146	
Lehman Bros.	do.	5,826	3,713		2,113	
Loew & Co.	do.	5,800	600		5,200	
Harrigan & Co.	do.	5,200	4,700		500	
Hank & Co.	do.	4,800	4,800			
Whitehouse & Co.	do.	4,377	4,327		50	
William F. Dickson	do.	4,300	2,800		1,500	
Alfred T. Stanley	do.	4,100	3,100		1,000	
II. Content & Co.	do.	3,800	3,000		800	

¹ 5 percent convertible preferred stock B, \$100 per share.

² 5 percent profit-sharing preferred stock A, \$100 per share.

³ Administratiekantoor van Aandeelen der Wabash Railway Co., N.V.

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: 1,057,743 votes cast.

11. Give the date and place of such meeting: May 16, 1932, Fort Wayne, Ind.

EXHIBIT E.—Statement showing "interlocking-stock ownership" of certain "Eastern and western railroads"

Column A	Amount of stock ownership and voting rights held by—			
	Stock		Voting right	Owning railroad
	Common	Preferred		
Baltimore & Ohio	62,671	18,060	80,731	Union Pacific.
Chicago & North Western Ry.	44,206		44,206	Oregon Short Line R.R. (Union Pacific system.)
Chicago, Milwaukee, St. Paul & Pacific	18,450		18,450	Do.
Chicago Rock Island & Pacific Ry.	183,333		183,333	St. Louis & San Francisco Ry.
Chicago, Burlington & Quincy Ry.	(1)			
New York Central Ry.	200,000		200,000	Oregon Short Line R.R. (Union Pacific system.)
Pennsylvania R.R.	100,000		100,000	Union Pacific Ry.
Union Pacific Ry.		41,715	41,715	Chicago & North Western Ry.
Wabash Ry.	362,000	312,900	675,900	Pennsylvania Co.
Do.		58,300	58,300	Union Pacific Ry.

¹ Over 55 percent owned equally by Great Northern Ry. and Northern Pacific Ry.

Authority: Page 109 to R.Rs. individual reports of railroads shown in column A to Interstate Commerce Commission for 1932.

Mr. CLARK obtained the floor.

Mr. PITTMAN. Mr. President, does the Senator from Missouri desire to proceed tonight?

Mr. CLARK. I prefer not to go on tonight, but I shall be glad to do so unless it is planned to take a recess or an adjournment at this time.

ADJUSTED COMPENSATION OF WORLD WAR VETERANS

Mr. LONG. Mr. President, will the Senator from Missouri yield to me for a moment?

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Does the Senator from Missouri yield to the Senator from Louisiana?

Mr. CLARK. I yield to the Senator from Louisiana.

Mr. LONG. The House has this afternoon passed the bill providing for the immediate payment of the soldiers' bonus. A number of Senators have indicated their desire to vote for the bonus this time who did not vote for it as an amendment when I offered it the other day.

In order that the record may show just what our financial status would be if the bonus were paid at this time, and how sound and solvent it would leave the Treasury, and how much better it would make the financial condition of the country, I desire to place in the RECORD the following figures:

When Mr. Hoover was President we had at one time a circulating currency of around \$7,000,000,000. We had a gold

reserve at the most of something around \$4,000,000,000 as against that circulating currency of seven billion. We have in gold in the United States Treasury today \$7,654,000,000, and we have outstanding as against that only \$5,000,000,000 of currency. If the bonus should cost the estimated amount of around \$2,000,000,000, or the high figure which was given of \$2,400,000,000, we should have a circulating currency of only approximately \$7,000,000,000, the same amount of currency we had when Mr. Hoover was President, whereas we should have in gold to back up that currency \$7,654,000,000, while Mr. Hoover had to back up the same amount of currency something around \$4,000,000,000.

In other words, Mr. President, we should have \$3,000,000,000 more in gold in the Treasury of the United States to back up the same amount of currency under the present administration than we had under the Hoover administration, the only difference being that there would be \$7,000,000,000 in currency outstanding under the Roosevelt administration, and there was \$7,000,000,000 outstanding under the Hoover administration, whereas under the Roosevelt administration the \$7,000,000,000 would have back of it \$7,654,000,000 in gold, while the \$7,000,000,000 under Mr. Hoover had back of it something around \$4,000,000,000 of gold.

The soundness of the proposal is so apparent that to my mind it is inconceivable that we who are trying to provide sufficient money in this country, a sound money, a money backed up by the gold reserve of the country, should fail to do it. We who are trying to bring back prosperity now have the opportunity to spread \$2,000,000,000 among the soldiers to pay an obligation that the Government is going to have to pay anyway, rather than to venture upon expedients some of which are less than half baked, some of which are untried, many of which have proved unsuccessful, and some have even proved harmful.

So, Mr. President, I am placing these figures in the RECORD knowing that there are many Senators who have expressed themselves as intending to vote for the bonus bill when it comes up here, believing that upon verifying the calculations I have given there should be given sufficient votes in the Senate to enact this bonus bill, and I hope it will secure the favorable action of the Executive; or, if it shall not be favorably acted on by him, that even then it may become the law.

BUSINESS AND THE N.R.A.

Mr. DICKINSON. Mr. President, I ask unanimous consent to have printed in the RECORD a radio address by William Randolph Hearst on Saturday evening.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Our honored President and General Johnson, his able assistant, declare with the deepest sincerity and the highest purpose that industry ought to put 1,000,000 more men to work at once and pay higher wages and give shorter hours.

This is unquestionably what industry ought to do if it can.

Industrialists are exceedingly anxious to do everything possible to end the depression.

But the administration must not forget that the economic situation has been very largely an industrial depression.

The reason that there has been so much unemployment has not been because industry was unwilling to employ, but because it was unable to employ.

As industry gradually emerges from the depression it will be able to employ more, and will proceed, even without urging and in the natural course of development, to employ more and pay more.

Industry always has done exactly this on previous similar occasions. And there have been a number of such occasions.

This is not the first panic the United States has had.

There have been several of them, and industry has always employed more men and paid higher wages after it came out of these depressions than before it went into them.

It has done this even without Government suggestion or solicitation or compulsion.

It has done it even without alleged altruistic motive.

It has done it in obedience to basic economic laws.

It has done it in response to the human, if not humanitarian, impulse to make greater product and greater profit through mass production.

There is strong possibility that no government domination and dictation over business could ever equal in force and effect these urgent economic laws.

There is an absolute certainty that industry and the whole country have in the past positively recovered from previous panics

without the operation of an N.R.A. or any similar method of dominating and dragooning business.

In plain fact, there is much and convincing evidence that the country has recovered from previous depressions more speedily than it is recovering from the present one.

And there is an increasing probability that the disturbing interference with business by the N.R.A. and consequent uncertainty and lack of confidence which this frequently unscientific interference creates, has positively delayed recovery instead of hastening it.

This opinion is not confined to the industrialists, who believe, as Henry Ford has so well expressed it—

"That anyone who assumes to say how a business should be run ought to know something about it."

It is shared by many scientific economists.

Columbia University's assemblage of economic experts made the following definite declaration in regard to the activities of the N.R.A.:

"Insofar as they are designed to prevent undercutting in wages and prices, and other competitive practices incompatible with a decent minimum standard of living for the worker, they have a humanitarian justification. But they should be viewed in that regard.

"There should be no attempt to impose such regulations on a broader scale with the idea that they are measures of recovery.

"There should be no illusion with regard to the fact that a general rise in prices through such measures is not a sign of increasing prosperity."

And recently a survey made by the National Industrial Conference Board indicates that the recovery process during 1933 was more effective before the N.R.A. got under way than afterward.

The board reported:

"After March 1933" (when Mr. Roosevelt became President) "production increased sharply until July.

"After July" [when the N.R.A. went into effect] "production fell off abruptly.

"The high-wage rates imposed by Government policy increased labor cost per man-hour. Curtailment of hours lessened the efficiency of plant operation, and introduction of new employees lowered the average efficiency of the working force."

These are the scientific aspects of the situation.

There is in addition a very serious practical difficulty in trying to force additional burdens on industry when industry as a whole is not in a condition to bear them.

It is like requiring an individual to carry heavy loads when he is just recovering from a severe illness and has not the strength to carry them.

The spirit may be willing but the flesh is weak.

Consequently, the insistence by Government on greater employment and shorter hours and higher wages often definitely defeats its own object, and by creating less prosperity in industry, creates conditions which compel less employment.

It would appear indeed that whenever business in the present emergency has succeeded in getting its head above water, the N.R.A., with the best intentions in the world, has alertly thrown it a millstone or a coil of lead pipe as a life preserver, and has promptly sunk it again.

Indeed the plight of business has been not unlike that of the young woman in the comedy act of Savoy and Brennan.

Said Brennan:

"Sam took his sweetheart out in a rowboat and they quarreled, and Sam threw her overboard, and every time she came up he hit her on the head with an oar. Wasn't it awful?"

"Sure", said Savoy. "But wasn't she the fool to come up?"

Every time business gets its head above water the Government whacks it and down it goes again.

Perhaps after awhile business will not be fool enough to come up.

Mr. Roosevelt, in his very admirable speech before the N.R.A. code authorities, further says:

"As between profits first and humanity afterward and humanity first and profits afterward, we have no room for hesitation."

This is indubitably true; but the question with industry is not always between humanity and prosperity. It is frequently a matter of humanity and bankruptcy.

With that I believe that the average fine, honest, patriotic American business man would often run the risk of bankruptcy in the cause of humanity and civic loyalty.

He would do this notwithstanding the fact that he is abused like a pickpocket for daring to be in a constructive and productive occupation.

Notwithstanding the fact that it is considered criminal these days to make a decent profit on an honest investment.

Notwithstanding the fact that if he should make a profit, the political bureaucracy of tax collectors and tax eaters will immediately descend upon him like harpies and gleefully take it away from him.

Notwithstanding the fact that he could, with much less risk and effort, get a safe and substantial income from tax-exempt securities which the Government has thoughtfully provided for the benefit of tax dodgers.

Notwithstanding the fact that if he should become such a tax dodger, he would not only escape heavy taxation but escape the odium and contumely which apparently now attach to the once

honorable occupation of building the wealth of the Nation and creating the employment of the Nation.

Honest business is always anxious to be humanitarian, eager to be patriotic.

Barring a few conspicuous rascals, it always has been patriotic—and the percentage of rascality is certainly not greater in business than it always is in politics.

But let us remember that industry, with all the willingness in its feet, cannot spend when it cannot pay.

A man who spends more than his income goes broke, and is unceremoniously told that "a fool and his money are soon parted."

A business which spends more than its income goes broke, and is treated with the same brutal lack of consideration.

Many businesses have been harassed into insolvency, burdened into bankruptcy by Government impositions.

Many businesses like the great air-mail industry have been recklessly wrecked by Government strong-arm interference.

But if the Government will only let business get safely on its feet, business on its own account, and for its own account will spend and will hire and will grow and will build and will make this Nation the greatest and the richest and the strongest and the happiest in the world.

There are some of us who do not believe that the years of 1919 to 1929 were crazy years.

There are some of us who believe that prosperity is normalcy in the United States, and that the prosperity of 1919 to 1929 can be made permanent and typical.

There are some of us who believe that this high degree of prosperity can be achieved, and permanently preserved for our people, not by the swindlers and speculators of high finance, but by the conscientious, conservative, constructive business men of our Nation.

The main duty, the immediate duty of government is not to restrict business, but to restore business confidence and stimulate business creativeness.

There is no need for government to interfere with business except to protect the 99 percent of honest business men in the United States from the 1 percent of wreckers and racketeers.

This is a business Nation—a business-built Nation.

In the fur trade of the Nation's founders—

In the cotton gins of the South—

In the Yankee notions of New England, which our clipper ships carried 'round the world—

In the engines and machines of transportation and communication—

In the fisheries and canneries—

In the oil wells and refineries—

In the mines, and mills, and factories throughout the broad land—

In the impounded power of the torrent and the electric current—

In the whirl of the press and the flicker of the film, and even in the vibration of the tenuous ether—

The genius of American business men has developed the wealth of the Nation and created the highest standard of employment in the world.

All that need be done now by government is to protect business from the plunderers and from the parasites and from the politicians, and business will again take care of itself and of the Nation, too.

CROP CONTROL BY A.A.A.

Mr. DICKINSON. Mr. President, I ask unanimous consent to have printed in the RECORD an article appearing in the New York Herald Tribune today by Mark Sullivan, entitled "Crop Control Feature of A.A.A. Held Failing in Desired Results."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune, Mar. 12, 1934]

CROP-CONTROL FEATURE OF A.A.A. HELD FAILING IN DESIRED RESULTS—MARK SULLIVAN SHOWS HOW ORIGINAL BASIC CROPS HAVE BEEN ADDED TO UNTIL AMERICA IS NOW FACING TRANSITION TO A NEW ORDER

By Mark Sullivan

WASHINGTON, March 11.—On Saturday the Senate passed a measure adding peanuts, cattle, and some other farm crops to the list of basic commodities. The incident, esoteric to the public generally, and apparently trivial, is in fact a landmark. It illustrates the inherent rule by which revolution, once started, goes on to complete overturn of the former social and economic system.

One dislikes to use the term "revolution" because it sounds provocative, but no other term describes the process accurately. The word is used habitually and with pride by the radicals within the administration. Whatever it be called, the fundamental rule of it is that the first step away from any established system makes the second inevitable, the second compels the third, and so on until the overturn is complete and a new social and economic order arrives. This is under way in America. If not arrested soon, the transition to a new order is certain.

PEANUTS ILLUSTRATES OPERATION

The peanut incident is comparatively trivial yet fully illustrative. At the beginning of A.A.A. nearly a year ago, Secretary of

Agriculture Henry A. Wallace designated certain farm crops as "basic." At first the basic crops were to be wheat and cotton only. Through operation of the familiar rule and also through political pressure, several others were added, including tobacco.

Mr. Wallace undertook to limit production of these crops and to bring about higher prices to farmers producing them. The method adopted was to levy a processing tax on purchasers of these crops—millers of wheat, spinners of cotton, manufacturers of tobacco, and so on. The money thus collected by the Government is turned over as a bonus to farmers raising these crops. The farmers are required to sign contracts with the Government agreeing to reduce the number of acres upon which they plant these crops.

INCLUDE SPINACH, LONG SUGGESTS

Under this system, farmers in North Carolina reduced the acreage they had been planting in cotton and tobacco. But the acreage thus released they at once planted in peanuts. The peanut producing area of North Carolina, normally 17 counties, expanded to 58. Thereupon, as it is put by Senator BAILEY, "the farmer-producers of peanuts are under the necessity of self-preservation to demand of the Government that it shall throw around them the same protection it throws around farmers producing other crops."

The North Carolina Senator is joined by Senator BYRD on behalf of the peanut raisers of Virginia and Senator GEORGE, of Georgia. What they ask must logically be done. For similar reasons, similar demands are made in behalf of rye, flax, cattle, and some other farm commodities. Ultimately every farm crop must be taken in. The facetious suggestion of Senator HUEY LONG, of Louisiana, about including sassafras roots and spinach is not too extreme.

HOW TAX WAS EXTENDED TO CORN

The same rule of revolution has worked in an additional way. A processing tax was put on wheat. Necessarily, that made wheat flour dearer. Thereupon the State purchasing agents of Illinois and Kansas, for example, directed the wardens of State institutions to use corn meal as a partial substitute. Countless private purchasers did the same. Consequently, to protect wheat it became necessary to put a processing tax on corn, and this was done. Corn led to hogs, hogs led to beef cattle, and so on.

The same rule is operating in a broader way. The present method of crop reduction is voluntary. That is, the administration pays the farmer to reduce his acreage. No farmer needs to make the contract unless he chooses. This voluntary method is just now breaking down. Some farmers see that the purpose of reducing acreage is to increase prices. They therefore prefer to increase their acreage so as to get advantage of the higher prices. Other farmers sign the contracts and reduce their acreage, but put added fertilizer and cultivation on the remaining acreage. The net of all is that the total country-wide crop is not decreased, but rather increased. This means that the system which is the very heart of A.A.A. voluntary agreements by farmers in return for payments by the Government is a failure.

COMPULSION IS NEXT STEP

Thereupon the second step, legal compulsion upon the farmer, is brought forward. Right now Congress is enacting a compulsory measure, endorsed by President Roosevelt. Under this the Government dictates to each cotton farmer a quota, tells each farmer how much cotton he is permitted to raise and penalizes the raising of more by a confiscatory tax. (In the first draft of the measure the recalcitrant farmer was made punishable by fine and imprisonment.)

It is fully understood that the compulsory method will be extended to wheat, corn, and other crops. Senator SIMEON D. FESS, of Ohio, is, of course, a Republican, but there need be nothing partisan in his prediction that "if we proceed along this line the time will arrive when no farmer will put a plow in his field without first getting permission from a bureau here in Washington. * * * The American people will not stand for it 24 hours when they realize what it involves."

HOPED-FOR RESULTS NOT ATTAINED

It is not only a rule of nature that the first step leads to the second. It is a rule of human nature also. When President Roosevelt sent to Congress the bill creating A.A.A. March 16, last year, he said:

"If a fair administrative trial of it is made and it does not produce the hoped-for results, I shall be the first to acknowledge it and advise you."

If Mr. Roosevelt desires literally to be the first to acknowledge that A.A.A. has not produced the hoped-for results, he will need to speak soon. The hoped-for results were set out in the preamble of the bill. They were to raise prices of farm crops to "a level * * * equivalent to the period of 1909-14." That this result has not been attained everyone knows. In other respects, not feasible to describe here, A.A.A. as a whole is breaking down. It will be contrary to human nature, however, for Mr. Roosevelt to say this. The rule is that the first step leads never to abandonment of the course but always to the second step.

GREAT LAKES-ST. LAWRENCE WATERWAY TREATY

The PRESIDING OFFICER. The Senator from Missouri [Mr. CLARK] is entitled to the floor.

RECESS

Mr. ROBINSON of Arkansas. Mr. President—

Mr. CLARK. I yield to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. I move that the Senate take a recess until 11 o'clock tomorrow morning.

The PRESIDING OFFICER. The question is on the motion of the Senator from Arkansas.

The motion was agreed to; and (at 6 o'clock p.m.) the Senate took a recess until tomorrow, Tuesday, March 13, 1934, at 11 o'clock a.m.

HOUSE OF REPRESENTATIVES

MONDAY, MARCH 12, 1934

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D.D., offered the following prayer:

All the paths of the Lord are mercy and truth unto such as keep his covenant and his testimonies. For Thy name's sake, our Father, pardon our iniquities and remember them against us no more forever. In the circumstances of difficulty, of arduous duty and severe temptation, give us strength to fulfill our obligations, revealing mastery, action, and sympathy. Heavenly Father, redeem all perverted things—life distorted, pleasure beguiled, time wasted. These are so vital to the efficiency of character. O bring them back as they were in the golden age when God walked in the garden. Because we are what we are, because we love Thee and are enraptured by the thought of Thy glory, O may we just be good in ten thousand ways. We pray that all our public acts may be penetrated by one spirit, connected by one aim, and ruled by one reigning purpose, namely, love for our country and our fellow men, and praises be unto Thee forever. Amen.

The Journal of the proceedings of Saturday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7199) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1935, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 13, 18, and 23 to the foregoing bill.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, the bill (H.R. 7478) entitled "An act to amend the Agricultural Adjustment Act so as to include cattle as a basic agricultural commodity, and for other purposes."

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House thereon, and appoints Mr. SMITH, Mr. THOMAS of Oklahoma, Mr. MCGILL, Mr. NORRIS, and Mr. McNARY to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 7513. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1935, and for other purposes; and

H.R. 7808. An act to authorize annual appropriations to meet losses sustained by officers and employees of the United States in foreign countries due to appreciation of foreign currencies in their relation to the American dollar, and for other purposes.

VETERANS' ADJUSTED-SERVICE CERTIFICATES

Mr. PATMAN. Mr. Speaker, on behalf of the gentleman from Minnesota [Mr. LUNDEEN] and myself, I move to discharge the Committee on Ways and Means from further consideration of the bill (H.R. 1) to provide for controlled

expansion of the currency and the immediate payment to veterans of the face value of their adjusted-service certificates.

The Clerk read the title of the bill.

Mr. BLANTON. Mr. Speaker, the bill should be reported in full so that it will be printed in the RECORD.

The SPEAKER. The rule provides that the bill shall be reported by title only.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the bill be printed in full in the RECORD at this point, so that the 120,000,000 people of the United States will know what is it about and know all of its provisions.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

H. R. 1

A bill to provide for controlled expansion of the currency and the immediate payment to veterans of the face value of their adjusted-service certificates

Be it enacted, etc., That title V of the World War Adjusted Compensation Act, as amended, is amended by adding at the end thereof three new sections, to read as follows:

"PAYMENT OF CERTIFICATES BEFORE MATURITY

"SEC. 509. (a) The Administrator of Veterans' Affairs is authorized and directed to pay to any veteran to whom an adjusted-service certificate has been issued, upon application by him and surrender of the certificate and all rights thereunder (with or without the consent of the beneficiary thereof), the amount of the face value of the certificate as computed in accordance with section 501.

"(b) No payment shall be made under this section until the certificate is in the possession of the Veterans' Administration, nor until all obligations for which the certificate was held as security have been paid or otherwise discharged.

"(c) If at the time of application to the Administrator of Veterans' Affairs for payment under this section the principal and interest on or in respect of any loan upon the certificate have not been paid in full by the veterans (whether or not the loan has matured), then, on request of the veteran, the Administrator shall (1) pay or otherwise discharge such unpaid principal and so much of such unpaid interest (accrued or to accrue) as is necessary to make the certificate available for payment under this section, and (2) deduct from the amount of the face value of the certificate the amount of such principal and so much of such interest, if any, as accrued prior to October 1, 1931.

"(d) Upon payment under this section the certificate and all rights thereunder shall be canceled.

"(e) A veteran may receive the benefits of this section by application therefor, filed with the Administrator of Veterans' Affairs. Such application may be made and filed at any time before the maturity of the certificate, (1) personally by the veteran, or (2) in case physical or mental incapacity prevents the making or filing of a personal application, then by such representative of the veteran and in such manner as may be by regulations prescribed. An application made by a person other than a representative authorized by such regulations, or not filed on or before the maturity of the certificate, shall be held void.

"(f) If the veteran dies after the application is made and before it is filed it may be filed by any person. If the veteran dies after the application is made it shall be valid if the Administrator of Veterans' Affairs finds that it bears the bona fide signature of the applicant, discloses an intention to claim the benefit of this section on behalf of the veteran, and is filed before the maturity of the certificate, whether or not the veteran is alive at the time it is filed. If the death occurs after the application is made but before the negotiation of the check in payment, payment shall be made to the estate of the veteran irrespective of any beneficiary designation, if the application is filed (1) before the death occurs, or (2) after the death occurs, but before the mailing of the check in payment to the beneficiary under section 501.

"(g) Where the records of the Veterans' Administration show that an application, disclosing an intention to claim the benefits of this section, has been filed before the maturity of the certificate, and the application cannot be found, such application shall be presumed, in the absence of affirmative evidence to the contrary, to have been valid when originally filed.

"SEC. 510. If, at the time this section takes effect, a veteran entitled to receive an adjusted-service certificate has not made application therefor he shall be entitled, upon application made under section 302, to receive at his option either the certificate under section 501 or payment of the amount of the face value thereof under section 509.

"SEC. 511. The Administrator of Veterans' Affairs, in the exercise of his powers to make regulations for payment under section 509 shall to the fullest extent practicable provide a method by which veterans may present their applications and receive payment in close proximity to the places of their residence."

SEC. 2. (a) Payment of the face value of adjusted-service certificates under section 509 or 510 of the World War Adjusted Compensation Act, as amended, shall be made in United States